CANADA

HOUSE OF COMMONS DEBATES

OFFICIAL REPORT

SECOND SESSION—TWENTY-EIGHTH PARLIAMENT

19 ELIZABETH II

VOLUME IV, 1970

COMPRISING THE PERIOD FROM THE NINTH DAY OF FEBRUARY, 1970,
TO THE FOURTH DAY OF MARCH, 1970, INCLUSIVE

INDEX ISSUED IN A SEPARATE VOLUME

Queen's Printer for Canada, Ottawa, 1970

21701—1½

HOUSE OF COMMONS

Monday, February 9, 1970

The House met at 2 p.m.

HOUSE OF COMMONS

PRESENCE IN SPEAKER'S GALLERY OF MEMBERS OF U.S. HOUSE OF REPRESENTATIVES COMMITTEE

Mr. Speaker: It gives me pleasure to bring to the attention of hon. members the presence in the Speaker's gallery of distinguished fellow parliamentarians, members of the Committee on Science and Astronautics of the House of Representatives of the United States Congress.

ROUTINE PROCEEDINGS

POLLUTION

CHEDABUCTO BAY—REPORT ON DEVELOPMENTS FOLLOWING GROUNDING OF TANKER "ARROW"

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I should like to report to the House on the latest developments in connection with the grounding of the tanker *Arrow* in Chedabucto Bay, Nova Scotia.

On Friday evening last I directed that the ship be removed or destroyed in accordance with the authority granted to me by section 495C of the Canada Shipping Act passed last year. The ship has broken her back on the rock on which she is impaled and it is thought possible to detach the stern section containing the engine and boiler rooms and an estimated one-third of the oil cargo so as to tow this portion out beyond the continental shelf to be sunk in deep water. On receipt of my direction, the two tugs present at the scene succeeded in separating the stern section from the rest of the ship which is awash on the rock. The stern section now rests some 50 feet away from the forward portion, and at this time workmen are ensuring that all openings in the forward part of the stern section are sealed and that portion reinforced so that it will not leak when moved off the ledge of rock on which it is now resting. It is hoped to move this portion at high water late tomorrow morning.

At the same time, materials and equipment have been flown to the scene to permit controlled burning or other disposal of the oil in the forward section. Fireproof booms have been built to surround this portion and it is hoped to let the oil out of the submerged hulk in controlled volumes for destruction within the boom.

A newly-developed technique for assisting burning, involving the use of pellets which act as wicks coupled with magnesium flares to ignite the oil, is being tried this morning on an oil slick in Chedabucto Bay. If this proves successful, it will be applied around the hulk after the stern section has been towed away.

• (2:10 p.m.)

While the cargo involved is only some 10 per cent of the amount spilled by the *Torrey Canyon*, the fuel is heavy residual furnace oil in which the volatile fractions have been refined out. It may be very difficult to burn and other methods may be required. An improved chemical for breaking down the fuel so that natural action can take place has been developed recently and this is understood to be relatively non-toxic to marine life. It is the intention to apply this material to the extent that the burning technique is found to be an incomplete solution.

I should emphasize that this whole matter of containing and destroying fuel oil in a siutation like this is only imperfectly understood. Much work has been done on it by various interests, but there are risks attached and some uncertainty of results applying to all the alternatives open to us. At worst, it is likely that release under controlled conditions and reasonable weather is a better alternative than a situation in which oil would seep from the wreck over a long period.

In all this, all resources of men, equipment and materials that are thought to be useful have been marshalled at the site. The department has had the full co-operation of other departments of government including Fisheries, National Defence and Energy, Mines and Resources, as well as representatives of Imperial Oil Limited and their salvors, and environmental control experts. All have personnel at the site, and Imperial Oil has retained the services of Professor Warner of

Memorial University, a marine biologist, to advise generally and to assist in particular with the clean-up measures that will be required. The Canadian Coastguard has ships at the scene as well as helicopters together with those of the armed forces. Chartered aircraft have flown equipment and materials from various parts of the continent. No effort is being spared to contain the spill and to destroy the ship and its cargo with the least possible harm to the environment.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, there can be no question from the report the minister has given that the situation is very serious as far as its effect on fishlife is concerned, and potentially very serious as far as the environment is concerned. I do not think there can be any question either that there has been a good deal of complacency, from which I hope this disaster will awaken all of us and incite us to make the arrangements necessary to avoid this kind of tragedy in the future to the extent that that is possible and, to the extent it is not possible, will incite us to make the necessary arrangements to be in a position to act effectively. We have not really taken any measures to prevent this sort of thing happening in our own territorial waters, and I would judge that we are not effectively organized to fight it when it does occur.

Again, I am a little confused by the minister's statement in connection with the forward section of the vessel being sealed off so it will not leak when moved off the ledge of rock on which it is now resting. I am confused why it is not possible also to tow this part, the forward section, out to sea if it can be removed from the rock.

Furthermore, I am concerned about why the decision was not taken earlier, first, as to the destruction of the vessel and, second, as to controlled burning. Oil has been escaping over a wide area of water for some time. If it is possible to apply controlled burning either tomorrow or the next day, then many people are going to wonder why it was not possible to apply controlled burning once the oil started to leak in any serious quantity.

It is clear that there is uncertainty as to methods. Here again I believe we have been complacent. There is obviously a need for a good deal of research in connection with this kind of disaster. In particular I believe we need controls for the future within our own territorial waters.

The minister gave the impression the other day that we were limited and restricted in this regard because of the lack of international regulations. With all respect, it would seem to me that we are free to apply controls within our own territorial waters. These we should certainly have without delay. The damage is serious and on the basis of what the minister has outlined and admitted the results are very uncertain. As a consequence of the delay this area may suffer a most serious disaster.

So the lesson is that we must be better prepared for this sort of thing when it happens than the government was on this occasion. We must implement regulations which will minimize the possibility of this kind of thing happening. We want some continuing assurance from the minister that every effort will be made—not simply the minister saying every effort is being made—even at this late date to minimize the danger. I think the minister, with respect, ought to remove what seems to me to be some confusion in his statement.

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, we are glad to have the statement from the Minister of Transport regarding the wrecking of the tanker *Arrow* off the coast of Cape Breton Island. I recognize that there are a great many technical problems involved in dealing with this matter, but I must say it seems to me it has taken an unconscionable length of time to deal with it and to see that the ship or at least part of the ship was towed out to sea and destroyed.

I believe that what has happened in this particularly unfortunate incident calls for a very thorough study and some action by the government to deal with what will undoubtedly be a recurring problem in this country. More and more oil tankers of larger and larger size are going to be used in the transport of oil. The Canadian people are properly exercised about the problem of pollution. It is bad enough that we have to deal with industries which discharge effluent into coastal waters, but if our shores are to be polluted by tankers which either discharge their cargo or are wrecked, then we are going to face a very serious problem, indeed, in terms of pollution of our coastline.

This is why there is so much concern about the proposed second trip of the *Manhattan*, because it is one of the largest tankers in the world. After its last trip it was reported that it had two large gaping holes in it. Had it been carrying a cargo of oil this would have created a real problem.

I suggest to the government that it seems to me there are three things that ought to be done. First, we need regulations that will apply to all ships using Canadian ports and Canadian territorial waters, particularly in respect of those which are carrying cargoes of oil or any other commodity that is likely to pollute our coastline. These regulations ought to be formulated as quickly as possible and enforced rigidly.

Second, we need to put back into the Canada Shipping Act the provision removed from the original draft that the cost of dealing with a situation like that which has been created by the *Arrow* should be assessed against the company to which the ship belongs or the company which owns the cargo.

• (2:20 p.m.)

Third, we need some legal provision to establish legal responsibility in order that those who are adversely affected by such pollution may have recourse to proper redress and the right to compensation. An incident of this magnitude brings the situation to the attention of Parliament, but in my own constituency smaller ships frequently discharge part of their surplus oil into the sea and the whole harbour is polluted. Those who are affected, those who own small ships which are contaminated and those who live along the coast whose property is contaminated, have no redress whatsoever. There is little use going to court to bring a case against the foreign owners of a small vessel which spent only a few days in the harbour. Since this is likely to be a recurring and increasingly serious problem in the years ahead, I hope the government will take vigorous steps to ensure that there is no repetition of this unfortunate incident.

PRIVILEGE

MR. DIEFENBAKER—REPORTED STATEMENT BY PRIME MINISTER RESPECTING RESPONSIBILITY FOR EXPO EXPENDITURES

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, I rise on a question of privilege in connection with a news article, written by Mr. David Crane, which appeared today in the *Globe and Mail*. According to this report the Prime Minister made a certain statement in the course of answering questions. I notice that at the time he was smelling flowers and had beads about his neck. The degree to which this statement is removed from the truth would indicate either that what he was breathing was worse than the effects of pot or that the beads he was wearing were not truth beads.

To the question, why did the farmers not get the $200 million—the reference was to the money provided in connection with Expo—the Prime Minister answered:

> I don't think these people are poor, Mr. Trudeau said. In his visit to the west he had seen farmers riding $20,000 tractors and they probably owned land costing $100,000 to $200,000.

Mr. Trudeau: What is the question of privilege?

Mr. Diefenbaker: He went on to say:

> Why not give it to the small grocer in my riding who is being forced out of business by the supermarket?

Some hon. Members: Question!

Mr. Diefenbaker: Then he went on to explain the $200 million granted in connection with Expo. He was asked why it was that when Montreal needed millions for Expo the money was available, but when the western farmer needs $200 million it is not. "Can you explain, the student asked Mr. Trudeau."

Mr. Speaker: Order, please. I have to invite the right hon. gentleman to indicate to the House as quickly as possible what his question of privilege is. I also have to remind him that all hon. members are required to give notice of questions of privilege. He is reading from an article which appeared in a newspaper this morning, which would indicate he had ample time to give the Chair the notice which all hon. members are required to give.

An hon. Member: Contempt of parliament.

Mr. Speaker: I would therefore suggest that if the right hon. gentleman has a question of privilege he should come to it quickly.

Mr. Diefenbaker: Mr. Speaker, this was brought to my attention a few minutes ago and it is a matter to which reference must be made because the honour of the government I had the honour to head is impugned by a statement which is false and frivolous.

Some hon. Members: Hear, hear!

Mr. Diefenbaker: The Prime Minister replied that the federal government was fulfilling an obligation made in 1962 under a Conservative government. In 1962 a statute was passed by this Parliament under the terms of which the federal government would provide $20 million, the province of Quebec $10 million, and the city of Montreal $5 mil-

lion. The expenditures which were made, and to which the Prime Minister alluded, were made as a result of an orgy of extravagance by the Pearson government.

Some hon. Members: Hear, hear!

Mr. Speaker: Order. I would not like to prevent the Prime Minister replying to the statement made by the right hon. gentleman, even though I doubt very much that there is a question of privilege. In any event there has been no notice as required. Even if no notice were required because of the circumstances alluded to by the right hon. gentleman, to wit, the fact that this matter was not brought to his attention until shortly before he entered the chamber, in any event there is no motion proposed by the right hon. gentleman and the matter should not be pursued. I think it might be unfair, however, not to allow the Prime Minister, if he wishes, to say a word by way of explanation.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, this matter has been debated a number of times. The right hon. gentleman might be well advised to wear some memory beads because it has been stated—

Mr. Diefenbaker: Does the Prime Minister talk about faulty memory!

Mr. Trudeau: —and repeated many times that the $20 million to which the hon. member refers was an initial payment and the agreement was that subsequent amounts, as and when the need developed, would also be covered by the federal government. It has been explained so many times that I cannot understand why the hon. member is not telling the truth.

Some hon. Members: Oh, oh!

Mr. Diefenbaker: Mr. Speaker, I am not going to ask the Prime Minister to withdraw. A week ago today he said "yes" and the next day he said he fooled the House and meant to say "no". So I will not ask for any withdrawal.

Mr. Speaker: Order, please. It is always difficult for the Chair to determine when words are used which ought not to be used. The Prime Minister cannot suggest that another member is not telling the truth, but I take the liberty to interpret his words in a way which would make them acceptable from a procedural standpoint. I am sure the Prime Minister would want the Chair to interpret the words in this way.

[Mr. Diefenbaker.]

COMMUNICATIONS

REDUCTION OF RATES BY CANADIAN OVERSEAS TELECOMMUNICATION CORPORATION

Hon. Eric W. Kierans (Postmaster General and Minister of Communications): Mr. Speaker, as the Minister of Communications I am pleased to announce that negotiations between the Canadian Overseas Telecommunication Corporation and responsible authorities in Great Britain, Ireland, several other European countries and the Trans-Canada Telephone System have resulted in substantial reductions in transatlantic communications rates. The Telephone, Telex and TWX services represent reductions ranging from 17 to 33 per cent.

As the minister responsible for this Crown Corporation I congratulate the COTC executive for their success in reducing rates at a period when the Canadian economy faces great inflationary pressures. The new rates come into effect in the case of Great Britain on March 1, 1970, and for Ireland and other European countries the new rates will be effective April 1, 1970.

May I, Mr. Speaker, with the permission of hon. members have the new COTC rates taken as read and inserted in *Hansard* at this point?

Mr. Speaker: Is it agreed?

Some hon. Members: Agreed.

[*Editor's Note: The statement on new rates referred to above follows:*]

From Canada to Great Britain and Ireland rates for person-to-person calls on week days remain at $9 for the initial three minutes but each additional minute will be reduced from $3 to $2. For night and Sunday person-to-person calls the rates will remain at $6.75 for the first three minutes but each additional minute will cost $1.50 instead of $2.25. For station-to-station calls on week days the new rate will be $6 for the three initial minutes and $2 for each additional minute instead of $7.50 and $2.50. Station-to-station calls at night and on Sundays will cost $4.50 for the first three minutes and $1.50 for each additional minute; the old rates were $5.70 and $1.90.

Rates for person-to-person calls on week days between Canada and Austria, Belgium, Denmark, France, Finland, Germany, Greece, Italy, Liechtenstein, Luxembourg, Norway, Netherlands, Portugal, Spain, Switzerland, Sweden and Vatican City will remain at $12 for the first three minutes. But each additional

minute will cost only $2.45 instead of $3. Where applicable, night and Sunday rates for person-to-person calls will remain at $9 for the first three minutes, but each additional minute will cost $1.85 instead of $2.25. Rates for station-to-station calls on week days will be reduced from $9 to $7.35 for the initial three minutes; each additional minute will cost $2.45 instead of $3. Where applicable, night and Sunday rates for station-to-station calls will be $5.55 for the first three minutes and each additional minute will cost $1.85. Old rates were $6.75 and $2.25. Night and Sunday rates are not available with Austria, France, Liechtenstein, Greece and Switzerland.

Telex and TWX rates to Britain will be reduced to $2.25 per minute from $3—minimum one minute—and to most other European countries from $3 to $2.50 per minute. Some European countries will have a three-minute minimum charge, not having yet introduced the one-minute minimum rate.

• (2:30 p.m.)

Mr. Kierans: The COTC hopes to be able to negotiate similar reductions in telephone, Telex and TWX rates with other countries.

In conclusion, I would like to add that this excellent performance by COTC follows a situation in which this Crown Corporation in 1968-69 earned a net profit of $5.8 million and returned $6.2 million in taxes. This year the Crown Corporation waived a $5 million government loan allocated to it, and I am informed that COTC will not be requesting further funds from the government during the coming year.

I hope that this performance by COTC in reducing rates by amounts of up to 33 per cent will serve as an example to private enterprise and an example that private enterprise will strive to follow.

Some hon. Members: Hear, hear!

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I might just say a word. Of course I am pleased to hear the minister's announcement, but I do not really think that the Canadian organization had very much alternative because there had already been an announcement in the United States that rates between the United States and Europe were going to be cut substantially. But at least it is pleasing to know that Canadian overseas rates are also going to come down.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, we welcome this statement. We were quite pleased to give consent to the inclusion in *Hansard* of the lower rates that are to come into effect for overseas service. We would also be quite happy to give unanimous consent for inclusion in *Hansard* of a list of lower rates in Canada. If this is possible on an overseas basis, why not in Canada?

Some hon. Members: Hear, hear!

SUPREME COURT ACT

AMENDMENTS RESPECTING APPEALS

Hon. John N. Turner (Minister of Justice) moved for leave to introduce Bill C-182, to amend the Supreme Court Act.

Motion agreed to, bill read the first time and ordered to be printed.

AGRICULTURAL PRODUCTS CO-OPERATIVE MARKETING ACT

AMENDMENT OF DEFINITION OF "AGRICULTURAL PRODUCT"

Hon. H. A. Olson (Minister of Agriculture) moved for leave to introduce Bill C-183, to amend the Agricultural Products Co-operative Marketing Act.

Motion agreed to, bill read the first time and ordered to be printed.

SHIPPING CONFERENCES EXEMPTION ACT

EXEMPTION OF CERTAIN PRACTICES FROM PROVISIONS OF COMBINES INVESTIGATION ACT

Hon. Donald C. Jamieson (Minister of Transport) moved for leave to introduce Bill C-184, to exempt certain shipping conference practices from the provisions of the Combines Investigation Act.

Motion agreed to, bill read the first time and ordered to be printed.

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

DEPARTMENT AND AGENCY STAFF TURNOVER

Question No. 38—**Mr. Benjamin:**

For the fiscal years 1958-59, 1963-64, and 1968-69, what have been the staff turnover rates for the following government departments and agencies (a)

Questions

Department of Agriculture (b) Atomic Energy of Canada Ltd. (c) Bank of Canada (d) Canadian Broadcasting Corporation (e) Central Mortgage and Housing Corporation (f) Department of Consumer and Corporate Affairs (g) Department of Defence Production (h) Dominion Bureau of Statistics (i) Department of Energy, Mines and Resources (j) Department of External Affairs (k) Department of Finance (l) Department of Fisheries and Forestry (m) Department of Indian Affairs and Northern Development (n) Department of Industry (o) Department of Justice (p) Department of Labour (q) Department of Manpower and Immigration (r) National Capital Commission (s) Department of National Health and Welfare (t) National Research Council (u) Department of National Revenue (v) Post Office Department (w) Public Service Commission (x) Department of Public Works (y) Secretary of State Department (z) Solicitor-General's Department (aa) Department of Trade and Commerce (bb) Department of Transport (cc) Treasury Board (dd) Department of Veterans Affairs?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council):

	1958-59 per cent	1963-64 per cent	1968-69 per cent
(a)	14.7	12.3	13.8
(b)	15.5	10.0	11.5

(c) It has not been the practice nor is it considered appropriate to answer questions regarding the internal administration of the Bank of Canada.

(d)	16.1	11.2	10.0
(e) (Calendar Year)	18.0	17.0	15.0

(f) Being a relatively new department, the Department of Consumer and Corporate Affairs is unable to answer this question as statistics were not maintained in a manner which would readily provide this information.

However, since April 1, 1969 they are compiling this type of information and would be able to answer such a request from that date.

(g)	19.4	14.0	18.8
(h)	12.5	13.9	8.2
(i)	6.0	6.2	7.8
(j)	9.6	8.5	9.3
(k)	25.0	15.0	25.0
(l)	Not available.		
(m)	10.2	8.7	(11.5)* 20.9

Note: *This figure includes 633 classroom teachers of whom there were a total of 2101 in 1968-1969. The bracketed percent indicates turnover rate less classroom teachers.

	1958-59	1963-64	1968-69
(n)	Department did not exist.	Department established July 25, 1963. Information not available.	15.5%
(o)	No figures available.	15.5%	19.4%
(p)	10.6%	10.8%	15.1%
(q)	No figures are available as the Department of Manpower and Immigration was not established until 1966.		7.6%
(r)	3.8%	4.6%	4.5%
(s)	21.5%	20.7%	24.5%
(t)	8.9%	8.4%	7.2%
(u)	13.5%	15.0%	17.2%
(v)	6.0%	5.5%	5.6%
(w)	Records for the fiscal years 1958-59 and 1963-64 have been destroyed and it is not possible to provide the necessary statistics for those two fiscal years.		8.0%
(x)	Complete records not available for the 1958-59 and 1963-64 fiscal years.		12.9%
(y)	5.2%	7.1%	6.4%
(z)	No figures are available as the Department of the Solicitor General was not established until 1966.		1.5%
(aa)	Not available.	5.6%	14.5%
(bb)	11.5%	10.2%	11.1%
(cc)	No figures available as the Treasury Board Secretariat, formerly part of the Department of Finance, did not become a separate department until October 3, 1966.		34.0%
(dd)	18.0%	14.0%	17.0%

[Mr. Benjamin.]

EXPENDITURES ON AIRCRAFT PURCHASES AND MAINTENANCE

Question No. 723—**Mr. Forrestall:**

1. In each year since 1960, what has been the total dollar content of government expenditures, including purchases, overhaul and repair and modification of fixed and rotary wing aircraft in (a) the Atlantic Provinces (b) Quebec (c) Ontario (d) the Prairies and (e) British Columbia?

2. In each of the last five years, how many separate firms in each of the above regions were awarded aerospace contracts in excess of $50,000,000. by the government?

Hon. James Richardson (Minister of Supply and Services): In so far as the Department of Supply and Services is concerned: 1. The records of the Department are not maintained in a manner which would enable us to readily provide this information. In order to assemble the information, it would be necessary to examine about 15,000 contract files.

2. During the past five years there were two contracts for $50,000,000 and over, which were awarded to Canadair Ltd. Montreal for production of the NF-5 and CF-5 aircraft. The NF-5 aircraft were purchased by Canada for re-sale to the Netherlands government.

ADMINISTRATIVE RESPONSIBILITY FOR SMALLER PORTS

Question No. 726—**Mr. McCleave:**

1. Is the Minister of Transport conducting a study to determine whether administrative responsibility of smaller ports could be shifted to the Department of Fisheries and Forestry?

2. Is such a study being carried out by both Departments?

3. When is it anticipated the study will be completed and a decision announced?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): I am informed by the Department of Transport and the Department of Fisheries and Forestry as follows: 1. The administration of smaller ports is under review with a number of departments and agencies.

2. No.

3. Not applicable.

DISTRIBUTION OF SPEECH BY MINISTER OF FINANCE

Question No. 741—**Mr. Saltsman:**

1. What was the purpose of the distribution in the form of a departmental news release on December 2, 1969, of the text of a speech by the Minister of Finance, in the House of Commons, Friday, November 28, 1969?

2. How many copies of this speech were distributed and what was the total estimated cost in preparing and distributing the speech?

3. Would the Government of Canada be prepared to distribute the text of the speeches made on November 28, 1969 in the House of Commons by the lead-off speakers of the Conservative, New Democratic and Ralliement Creditiste Parties?

Hon. E. J. Benson (Minister of Finance): 1. The text of the November 28 speech by the Minister of Finance was distributed to government offices, embassies and libraries, to persons in business and finance and to other groups and individuals who have asked to receive speeches by the Minister and announcements of the Department of Finance. This follows the normal practice of successive Ministers of Finance. The speech was also sent to news media and to Members of the House of Commons and Senate.

2. Estimated costs of preparation and distribution for 2,200 English and 300 French copies was $377.31, including mailing costs.

3. The government assumes that persons wishing to obtain speeches by Members and Leaders of Opposition parties have made arrangements to do so. Facilities are available to Opposition parties to respond to these requests.

AUTOMOTIVE ADUSTMENT ASSISTANCE BOARD LOANS

Question No. 753—**Mr. Scott:**

1. How many industries have received loans from the Automotive Adjustment Assistance Board since its inception?

2. What are the names of these companies and where are they located?

3. What was the amount of the loan to each company?

4. How many companies have failed to repay these loans?

5. How many companies are in arrears with their payments?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): 1. To November 30, 1969, a total of 58 firms.

2. and 3. It is not the policy of the Adjustment Assistance Board to reveal the names of the borrowers or the amounts of individual loans.

4. None.

5. As of November 30, 1969, one.

MEDICAL, DENTAL AND ENGINEERING EMPLOYMENT OPPORTUNITIES

Question No. 778—**Mr. Muir (Cape Breton-The Sydneys):**

Does the Department of Manpower and Immigration now get information from the provincial

medical, dentistry and engineering associations about employment opportunities or does it instead depend on information of Canada manpower service?

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): The Department's Canada Manpower Centres frequently obtain information describing employment opportunities, their location and salary from employers and provincial associations by telephone and visits. This information is obtained to counsel clients seeking employment, to place clients (including immigrants) in employment, and to obtain information necessary in the filling of employment vacancies listed by employers. Canada Manpower Centres and the Department's regional offices also frequently obtain information from provincial associations as part of their job in understanding these labour markets. The head office in Ottawa periodically obtains information from national associations on opportunities for new university graduates.

DELIVERY OF MAIL, CHARLOTTETOWN

Question No. 789—**Mr. MacLean:**

Has the Post Office Department received any complaints of slow delivery of mail in the Charlottetown area and, if so, what action has been taken to investigate and correct the cause of such slow delivery?

Hon. Eric W. Kierans (Postmaster General and Minister of Communications): Yes, a total of 16 complaints were received. Each was investigated and where the cause of delay could be determined, steps were taken to prevent recurrence.

MAIL DELIVERY TO APARTMENT BUILDINGS

Question No. 804—**Mr. Macquarrie:**

1. In what cities and towns of Canada are residents of apartment buildings unable to receive postal delivery by mailmen because of the current "austerity" program?

2. What is the estimate of the number of people in the situation referred to in Part 1?

3. What provisions are made for such people to obtain their mail?

4. How many protests have been received concerning this situation?

5. What is the estimated having from the non-provision of delivery service to apartment blocks?

Hon. Eric W. Kierans (Postmaster General and Minister of Communications): 1. None. Extensions of Letter Carrier Service to available calls, including apartment buildings, are now provided in the normal manner. Temporary restrictions on extensions under the economy program were eliminated in October 1969.

2. None.
3. Not Applicable.
4. Not Applicable.
5. Not Applicable.

PERSONS RECEIVING MAIL ACCORDING TO FREQUENCY OF DELIVERY

Question No. 805—**Mr. Macquarrie:**

For each of the provinces and territories of Canada, what is the estimated number of Canadians now receiving mail delivery (a) six days a week (b) five days a week (c) three or fewer days per week?

Hon. Eric W. Kierans (Postmaster General and Minister of Communications): The numbers of calls served by letter carriers as of November 30, 1969, in the Provinces and Territories are as follows:

	Calls receiving direct delivery by letter carrier	Calls served by letter carrier through group boxes	Total calls served by letter carrier
Newfoundland	24,883	269	25,152
Nova Scotia	90,224	1,147	91,371
New Brunswick	62,501	618	63,119
Prince Edward Island	9,367	61	9,428
Quebec	1,256,197	4,721	1,260,918
Ontario	1,646,030	5,237	1,651,267
Manitoba	183,048	958	184,006
Saskatchewan	118,765	471	119,236
Alberta	274,807	1,158	275,965
British Columbia	484,555	3,550	488,105
Yukon Territory	nil	nil	nil
Northwest Territories	nil	nil	nil
	4,150,377	18,190	4,168,567

The above are the only available statistics and they relate to calls served. A call may be a residence, office, store, factory or institution. Letter Carrier delivery service is provided on a five day basis (Monday to Friday inclusive).

Departmental records are not maintained according to frequency of service, of householders served by Rural Routes and Suburban Services; however, the statement below indicates the number of Rural Routes and Suburban Services in each Postal District according to frequency, and also the total number of householders served by all such services in each Postal District as of March 31, 1969:

Postal district	Rural routes—Frequency							Suburban services		
	6 p.w.	5 p.w.	4 p.w.	3 p.w.	2 p.w.	1 p.w.	Total	6 p.w.	5 p.w.	Total householders
St. John's	13	4	1	10	1	1	30	—	3	4,174
Halifax	418	—	2	14	2	—	436	5	—	57,235
P.E.I.	144	—	—	—	—	—	144	—	—	13,009
Saint John	349	1	4	23	—	—	377	3	—	51,358
Quebec	752	—	4	12	1	1	770	—	—	77,155
Montreal	688	—	2	8	—	—	698	—	—	89,017
Ottawa	662	—	—	23	—	—	685	1	—	74,660
Toronto	551	—	—	—	1	—	552	4	3	89,712
London	748	—	—	—	—	—	748	—	—	101,158
North Bay	170	—	5	36	1	—	212	2	—	24,699
Winnipeg	47	—	—	92	16	—	155	—	2	15,455
Saskatoon	3	—	—	20	88	—	111	—	—	4,918
Calgary	19	—	3	47	38	1	108	4	—	8,860
Edmonton	35	1	11	72	64	1	184	—	—	15,351
Vancouver	160	1	2	14	5	4	186	2	4	63,340
Postmaster										
Montreal	—	1	—	—	—	—	1	—	—	155
Ottawa	8	—	—	—	—	—	8	—	—	2,564
Toronto	—	—	—	—	—	—	—	—	—	—
Winnipeg	4	—	—	—	—	—	4	4	—	3,617
Vancouver	—	3	—	—	—	—	3	—	—	1,371
Total	4,771	11	34	371	217	8	5,412	25	12	697,808

POST OFFICE CLOSURES

Question No. 816—**Mr. Macquarrie:**

1. Since June 25, 1968, how many post offices have been closed in each of the provinces of Canada?

2. How many patrons were being served by these offices?

3. What alternative service was provided to these patrons?

4. What was the total increase in payment to rural route carriers resultant from such closings?

5. For each province, what is the estimated saving resultant from the closing of such offices?

6. What is the estimate of the number of letters of complaint received from groups and individuals concerning postal service since June 25, 1968?

Hon. Eric W. Kierans (Postmaster General and Minister of Communications): 1. British Columbia, 33; Alberta, 82; Saskatchewan, 91; Manitoba, 51; Ontario, 243; Quebec, 192; New Brunswick, 73; Nova Scotia, 94; Prince Edward Island, 31; Newfoundland, 37; Northwest Territories, 2; Yukon, 2.

2. Departmental records are not maintained in such a way that would make it possible to compile these statistics.

3. Rural mail delivery or group mail boxes were provided and in some cases service is available through an adjacent post office.

4. Departmental records are not maintained in such a way as to provide that information.

5. Departmental records are not maintained in such a way as to permit compilation of savings broken down by province. However, since the inception of the Department's program in February 1967, to close small unproductive post offices, an approximate saving of $1,100,000 has been realized throughout the country.

6. Departmental records are not maintained on the number of letters of complaint received in connection with the closing of post offices.

Questions

HALIFAX—POSTAL DELIVERY TO NEW APARTMENT BUILDING

Question No. 828—**Mr. McCleave:**

1. Are new apartment buildings on Ardwell Avenue, Spryfield, City of Halifax, receiving postal delivery to inside mail boxes and, if not, is the Post Office using group site boxes located outside?

2. If the answer to Part 1 is in the affirmative, how many individual boxes are involved?

Hon. Eric W. Kierans (Postmaster General and Minister of Communications): 1. There is one new apartment building on Ardwell Avenue. It contains six suites and delivery service is provided by letter carrier to inside mail boxes.

2. Six individual units in an apartment house mail receiver assembly.

FEDERAL DEPARTMENT LEASED SPACE, HALIFAX AND DARTMOUTH

Question No. 838—**Mr. McCleave:**

1. What total of square footage of leased space do federal departments now hold in Halifax and Dartmouth?

2. In what buildings is this leased space situated?

3. What is the (a) lowest (b) average (c) highest cost of rental per square foot of such leased space?

Hon. Arthur Laing (Minister of Public Works):

1.

Location	Space
Halifax	276,639 square feet
Dartmouth	27,570 square feet

Additional space leased by the Royal Canadian Mounted Police:

Dartmouth	2,427 square feet

2.

Location	Building
Halifax	Argyle Garage
	5525 Artillery Place
	1572 Barrington
	1737 Barrington
	C.N.R. Station
	Centennial Building
	5450 Cornwallis
	1521 Dresden Row
	5614 Fenwick
	1575 Granville
	Halifax Insurance Building
	Hollis Building
	Maritime Life Building
	National Harbours Board Buildings
	Royal Bank Building
	1 Sackville Place
	5516 Spring Garden Road
Location	Building
	5643 Spring Garden Road
	Willow Tree Service Centre Building
Dartmouth	55 Hawthorne
	K-Mart Plaza
	Royal Bank Building
	Shannon Plaza

Additional space leased by the Royal Canadian Mounted Police:

Dartmouth	3 Bruce Street, Woodlawn.

3. Halifax (a) $1.51 (National Harbours Board Immigration Building—Shed); (b) 4.15; (c) 6.75 (Office space). Dartmouth (a) $2.27 (Storage space); (b) 3.10; (c) 5.00 (Office space).

Additional space leased by Royal Canadian Mounted Police: Dartmouth: $2.25 (No services).

PUBLIC DEBT, 1967, 1968, 1969

Question No. 857—**Mr. Rodrigue:**

1. What was the amount of the public debt at the end of fiscal years 1967, 1968 and 1969?

2. What was the amount of interest paid for each of these fiscal years?

Hon. E. J. Benson (Minister of Finance): 1. 1966-67, $19,940,206,029; 1967-68, $20,579,875,034; 1968-69, $22,100,957,706.

2. 1966-67, $901,537,725; 1967-68, $980,527,582; 1968-69, $1,136,103,916.

CLOSURE OF POST OFFICES

Question No. 886—**Mr. Coates:**

1. How many post offices have been closed in Cumberland-Colchester North since June 25, 1968?

2. How many additional offices does the Post Office Department intend to close?

3. What localities were the post offices located that have already been closed and what are the localities in which future closures will take place?

Hon. Eric W. Kierans (Postmaster General and Minister of Communications): 1. Nine.

2. Sixteen.

3. (a) Upper Economy, Tidnish, Old Barns, Thomson Station, Head of Amherst, Malagash Mine, Londonderry Station, Athol, West Brook.

(b) Denmark, Earltown, East Advocate, Fox River, Glenholme, Little Bass River, Nappan, New Salem, Parrsboro Shore, River Philip, Spencer's Island, Wards Brook, Wentworth Centre, West Advocate, Apple River, Schinimecas Bridge.

INDUSTRIAL DEVELOPMENT BANK DEBENTURES—PURCHASE BY BANK OF CANADA

Question No. 894—**Mr. Rodrigue:**

1. During 1969, did the Bank of Canada purchase debentures issued by the Industrial Development Bank and, if so, what was the value of the debentures acquired by the Bank of Canada?

2. What is the average interest rate paid by the Industrial Development Bank on such debentures?

Hon. E. J. Benson (Minister of Finance): 1. The Bank of Canada purchased all debentures issued by the Industrial Development Bank during 1969. The total issued in this period was $132,300,000, of which $86,700,000 was in replacement of maturing debentures.

2. The average interest rate paid by the Industrial Development Bank on debentures issued during 1969 was 8.20 per cent.

NOVA SCOTIA—MANPOWER MOBILITY PROGRAM

Question No. 902—**Mr. Muir (Cape Breton-The Sydneys):**

1. Since January, 1968, have any persons received grants or loans under the Manpower Mobility Programme through the offices of the Canada Manpower Centre at (a) Sydney Mines, (b) North Sydney (c) Sydney, Nova Scotia and, if so, how many?

2. Have any persons been refused by each of these offices and, if so (a) how many (b) for what reasons?

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): 1. Yes. Under the Canada Manpower Mobility Program grants only are authorized. A detailed breakdown of statistics for the period 1 January 1968-31 March 1968 is not available. The data given is for the full fiscal years 1967-68, 1968-69 and also the period 1 April-31 December 1969, by type of grants:

	Trainee Travel	Explor-atory	Relo-cation	Total
(a) Sydney Mines	11	8	13	32
(b) North Sydney	176	41	29	246
(c) Sydney	466	103	120	689

2. (a) Yes, Sydney Mines 79, North Sydney 26 and Sydney 14.

(b) Mobility assistance was not authorized because the persons failed to meet one or more of the following qualifying conditions prescribed by the Manpower Mobility Regulations: Not unemployed at the time of application; there was employment available in present locality; there were no employment prospects in new area; the area to which person wished to move was not the nearest area in which suitable employment was available; client failed medical examination required by employer or training institution.

NATIONAL DEFENCE—PHASING OUT SAVINGS

Question No. 907—**Mr. McKinley:**

1. What is the total saving in government spending that will result from the recent announcement of the phasing out of militia units and the closing out of armouries across Canada?

2. In particular, what savings in government expenditure will result from the closing of the armouries in Wingham and the phasing out of the 21st Field Artillery Regiment?

Mr. D. W. Groos (Parliamentary Secretary to Minister of National Defence): 1. Approximately $15,000,000.

2. In arriving at an approximate cost of maintaining a militia unit certain factors must be considered. The operating and maintenance costs of the armoury, pay of unit members, are basic costs but there are other costs which are not as readily identified on a unit basis such as provision and maintenance of equipment, pay of regular force support staffs, travel, rations, clothing, etc. It is estimated that approximately $40,000 will be saved by phasing out the 21st Field Artillery Regiment and closing the Armoury in Wingham, Ontario.

USE OF PICLORAM TO MARK CANADA-U.S. BOUNDARY

Question No. 909—**Mr. McCleave:**

1. Is picloram being used to mark the land boundary between Canada and the United States?

2. What formula exists for the quantities being used and what safeguards exist as to such use?

3. How long has picloram been in existence, who invented it and what tests were carried out as to its effect on foilage and animal, human or bird life and on soil or water?

4. For what reasons was the decision made to mark out the boundary?

5. Was the picloram decision made at the initiative of the Canadian or American Government?

6. Who will supply the picloram?

7. Who will apply the picloram?

Hon. Mitchell Sharp (Secretary of State for External Affairs): 1. Picloram is an ingredient in the herbicide used to mark the boundary.

2 and 7. The commercial mixture, containing 0.54 pounds picloram per gallon, is applied at rates varying from 1.6 to 3 gallons per acre. The rates of application and methods are laid down by Canada Department of Agriculture. The program is carried out by

experienced personnel under the direct supervision of the staff of the International Boundary Commission.

3. The product has been commercially available through Dow Chemical since 1963. The tests on the chemical were carried out by the Company and submitted to the Department of Agriculture prior to certification.

4. A boundary vista is called for under a treaty of 1925 between Canada and the United States, and the International Boundary Commission Act, 1960.

5. The Commission's program is an international operation developed through consultation and agreement between Canadian and United States members.

6. The commercial product is supplied by Dow Chemical.

MONTREAL POLICE STRIKE—FACILITIES GUARDED BY ARMED FORCES

Question No. 935—**Mr. MacLean:**

1. During the recent Montreal police strike, were certain facilities guarded by members of the Canadian Armed Forces and, if so, what were the facilities so guarded?

2. At whose request was this service performed?

3. What authority decided which types of utilities should be so guarded?

4. Is the cost to the federal government being charged to any other levels of government?

Mr. D. W. Groos (Parliamentary Secretary to Minister of National Defence): 1. Yes, the transmission tower on Mount Royal; City Hall; Montreal Police Headquarters, and La Sureté Provinciale du Québec (SPQ) Headquarters in Montreal.

2. The Attorney General of the Province of Quebec.

3. The Director General of La Sureté du Québec.

4. Yes, to the Province of Quebec.

FAIREY AVIATION LAY-OFFS

Question No. 948—**Mr. Forrestall:**

In detail, what specific steps have been taken by the government to assure the minimum amount of hardship for employees of Fairey Aviation of Canada who are scheduled to be laid off during the next few weeks?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): The Department of Manpower and Immigration has assigned a task force of four manpower counsellors and a clerk to register and counsel all the employees of Fairey Canada Ltd. at its Dartmouth plant. In addition, three manpower counsellors have been assigned to the other three operations of the Company in the Maritimes, at Halifax International Airport, Greenwood, Nova Scotia, and Summerside, Prince Edward Island. The full services of the Canada Manpower Centres are being offered to the workers, including: employment counselling, job referral, mobility assistance and occupational training.

The registration process commenced on January 23, 1970. Fairey Canada is co-operating fully and has permitted these interviews to take place on Company premises. The workers are allowed time off at full pay to attend.

The Company has agreed to explore the possibility of forming a joint labour-management committee under the auspices of the Department's Manpower Consultative Service. The first phase of such a program would normally be the compiling of a manpower inventory such as is currently in progress. Following this, steps would be taken to arrange for such matters as separation pay and pension allowances. The possibility of arranged employment in other related work would be investigated. If it is necessary for workers to relocate in order to accept employment, mobility assistance would be provided under the Manpower Mobility Program.

PERPETUAL BONDS ISSUED

Question No. 960—**Mr. Rodrigue:**

What is the total amount of perpetual bonds issued by the Canadian government as of January 1, 1970?

Hon. E. J. Benson (Minister of Finance): $55,000,000.

BANK OF CANADA—COST OF ISSUING NEW SERIES OF NOTES

Question No. 980—**Mr. Goode:**

1. What is the estimated cost of design and manufacutre of the engraving plates which will be required by the Bank of Canada to produce the new series of bank notes which will be issued beginning in 1970?

2. What is the cost of issuing a series of notes of the new design as opposed to retaining the current design?

Hon. E. J. Benson (Minister of Finance): 1 and 2. The cost of the design and manufacture of the engraving plates to produce a new series of bank notes, like the cost of issuing notes, is paid by the Bank of Canada.

It has not been the practice nor is it considered appropriate to answer questions regarding the internal administration of the Bank of Canada.

QUESTIONS PASSED AS ORDERS FOR RETURNS

GOVERNMENT BODIES IN OTTAWA-HULL AREA

Question No. 18—**Mr. Broadbent:**

1. What federal government departments, Crown corporations and agencies have their head offices located in the Ottawa-Hull area?

2. For each of the above departments, Crown corporations and agencies, what is the number of employees as of the last government fiscal year?

Return tabled.

PUBLIC SERVICE—EMPLOYMENT OF NON-CANADIANS

Question No. 251—**Mr. Thompson:**

1. What departments employ, in what ranks, in what numbers, and from what foreign states, persons who are not Canadian citizens?

2. What departments employ, in what ranks, in what numbers, and from what foreign states, persons who are neither Canadian citizens nor Landed Immigrants?

3. Has any distinction been made between Canadian citizens, Landed Immigrants and Non-landed Immigrants in the termination of the services of people employed by the Public Service Commission and other agencies of the federal government?

Return tabled.

ROYAL COMMISSIONS

Question No. 397—**Mr. Coates:**

1. How many commissions established by the government prior to June 25, 1968, have not as yet presented their final report to the government?

2. What was the responsibility of each of the commissions in question, on what date were they appointed and what are the names of the individuals associated with each commission?

3. What has been the cost of each commission to date and what is the estimated final cost of each commission?

4. In each instance, what is the amount that has been received by the individuals associated with each commission in both salary or honoraria and expenses?

Return tabled.

BILINGUAL BONUS, PUBLIC SERVICE EMPLOYEES

Question No. 450—**Mr. Caouette:**

In each of the government departments and corporations, in each of the Crown corporations and in the Public Service Commission, how many employees whose mother tongue is (a) French (b) English, receive the 7% bonus for being bilingual?

Return tabled.

NHA LOANS AND CONTRIBUTIONS

Question No. 512—**Mr. Alexander:**

1. (a) In the period between January 1, 1969 and the date of assent to Bill C-192, An Act to amend the National Housing Act, what was the total value of loans or contributions made under each of the following sections of the National Housing Act (i) Section 35A—Joint Federal-Provincial Public Housing Projects (ii) Section 35D—Loans for the construction or acquisition of public housing projects (iii) Section 35E—Contributions to public housing agencies providing low rental accommodation (b) how many units are covered by those loans or contributions under each of the sections in part (a)?

2. (a) During the period between January 1, 1969, and the date of assent to Bill C-192 what loans were made under the then Sections 16 and 16A of the National Housing Act and, for each loan, what was (i) the value of the loan (ii) the location of the housing project (iii) the number of units (broken down by number of bedrooms) (iv) the rent range (b) what general procedures were followed with regard to the loans referred to in part (a) in order to (i) establish the rent range (ii) establish the tenants' income limit (iii) determine the proportion of the term of the loan during which Central Mortgage and Housing Corporation maintains control over rents?

3. (a) In the period between the date of assent to Bill C-192 and September 30, 1969, what was the total value of loans or contributions made under each of the following sections of the National Housing Act (i) Section 35A—Federal-Provincial public housing projects (ii) Section 35D—Loans for the construction or acquisition of public housing projects (iii) Section 35E—Contributions to public housing agencies providing low rental accommodation (b) how many housing units are covered by those loans or contributions under each of the sections in part (a)?

4. (a) During the period between the date of assent to Bill C-192, and September 30, 1969, what loans have been made under section 16 of the National Housing Act and, for each loan, what was (i) the value of the loan (ii) the location of the housing project (iii) the number of units (broken down by number of bedrooms) (iv) the rent range (b) what general procedures were followed with regard to the loans referred to in part (a) in order to (i) establish the rent range (ii) establish the tenants' income limit (iii) determine the proportion of the term of the loan during which Central Mortgage and Housing Corporation maintains control over rents?

Return tabled.

Mr. Comeau: Mr. Speaker, I would like to ask the Parliamentary Secretary if he would ask the Department of Transport to answer question No. 303 asked in October.

Mr. Groos: I will look into it, Mr. Speaker.

Inquiries of the Ministry

ORAL QUESTION PERIOD

THE CANADIAN ECONOMY

PRAIRIE PROVINCES—INQUIRY INTO ECONOMIC DIFFICULTIES

Hon. Robert L. Stanfield (Leader of the Opposition): I should like to ask the right hon. Prime Minister whether, in view of certain representations made to him over the weekend, the government plans to order or conduct an inquiry into the economic difficulties in western Canada?

Right Hon. P. E. Trudeau (Prime Minister): No, Mr. Speaker, no representations were made to me over the weekend, as far as I am aware. Questions were asked along lines that were alluded to earlier by the right hon. member for Prince Albert, and I believe they were dealt with sufficiently at that time.

Mr. Stanfield: I have a supplementary question, Mr. Speaker. Does the government intend to announce any additional measures to meet the deepening economic difficulties, particularly in the prairies?

Mr. Trudeau: This question was asked at least four times in my memory in the past two weeks and was answered by me and by the minister responsible for the Wheat Board.

Mr. Stanfield: I have a supplementary question, Mr. Speaker. Perhaps the question would not have to be asked so often if the government would do something about the problem.

Some hon. Members: Hear, hear!

Mr. Stanfield: Is it a correct statement of government policy that the farmers in the west are not poor because they drive tractors and that therefore no additional measures by the government are appropriate?

Mr. Speaker: Order, please.

Mr. S. J. Korchinski (Mackenzie): I wish to ask the Prime Minister whether he intends to introduce legislation on the much talked about government program to buy up farms since many farmers are driving tractors worth less than $2,000?

LEGISLATION TO IMPLEMENT REDUCED WHEAT ACREAGE—FINANCIAL INCENTIVE TO FARMERS

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I want to ask a supplementary question of the Prime Minister. Is it the intention of the government to introduce legislation to reduce the amount of acreage which farmers on the prairies can sow to wheat in the coming year, and does the government intend to provide some financial incentive for this purpose?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the House seems to be very concerned with the legislation to come in due course; such will be announced in due course by the government. There is no attempt by the government to do everything today. We have spread our legislative program over the whole session and we expect co-operation from all parties in the execution of this program.

Mr. Douglas (Nanaimo-Cowichan-The Islands): A further supplementary question. In view of the fact that the House is not to know until the legislation is introduced, has the Prime Minister conveyed this information to the minister in charge of the Wheat Board who has made statements to the effect that the government intends to curtail the amount of acreage which the farmers will sow to wheat?

Mr. Speaker: Order, please. The hon. member is asking about communications between a minister and the Prime Minister. The question as asked is not in order.

[*Translation*]

Does the hon. member for Portneuf wish to ask a supplementary question?

Mr. Roland Godin (Portneuf): Yes, Mr. Speaker, and to the Prime Minister.

Last year he granted some credits to the opposition members so that they could become better informed and, consequently, ask more relevant questions. Last week, we were glad to learn that hon. members on the government side would enjoy the same benefit. Could the Prime Minister tell us what means he intends to take, personally, to improve his own replies?

[*English*]

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I would like to ask a supplementary question. In view of the fact that in the Prime Minister's answer he dealt with the economic plight of western Canada has he anything to announce—and this affects the economics of western Canada—in reference to the strike that is tying up all the ships in Vancouver?

Mr. Speaker: I would not think this is a supplementary question. This question might be asked a little later during the proceedings.

Mr. Woolliams: If that does not affect the economics of the country, nothing does.

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, I wish to direct a supplementary question to the Prime Minister. Would he have his research staff read the report of the Barber Commission so that his knowledge of the prices of tractors might be more accurate?

IMMIGRATION

DEPORTATION OF DESERTERS FROM U.S. ARMED FORCES

Mr. David Lewis (York South): Mr. Speaker, I want to direct a question to the Solicitor General; I have given him notice of its general nature. In view of the allegations made on a television program last night that officers of the Royal Canadian Mounted Police in British Columbia acted illegally in deporting three young Americans without any deportation order or other authority, has the minister instituted a further and fuller inquiry into this shocking incident and, if so, has he received a fuller report than the one he was good enough to communicate to me by letter on February 3?

Hon. G. J. McIlraith (Solicitor General): Mr. Speaker, I regret I did not see the television show on this subject that was put on last night.

Mr. Woolliams: They said you didn't tell the truth.

Mr. McIlraith: I am advised it was quite inaccurate in parts of it. As to the subject matter the hon. member is concerned with, I did institute an investigation of the matter when I had some correspondence from him, for which I thank him for giving me notice, and I gave him a reply on Friday. The TV show was on Sunday night and I instituted a further investigation this morning as to the allegations, some of which were also contained in some material which the hon. member supplied to me and which again is not accurate in part. That second inquiry is not yet completed. I do not have the final report on the part arising out of some things said on the television program last night.

Mr. Hees: Once again but more slowly, George.

Mr. Baldwin: Start from square one.

Mr. Lewis: Mr. Speaker, I do not blame the minister for not having seen the program last night. I only envy him for the reason he was unable to see it. I want to ask him this very serious question: in view of the conflicting allegations, and in view of the fact that the minister says reports were inaccurate merely on information he has received from his officers, who are not disinterested in this situation—

Mr. McIlraith: And my personal staff.

Mr. Lewis: —and in view of the fact that it is important that officers of the RCMP act legally and not as agents of foreign authorities, will the minister undertake to appoint a judge or other disinterested person to make a full and independent inquiry into the facts so that he may be in a position to report fully to the House and to take whatever action those facts require?

Mr. McIlraith: No, Mr. Speaker, but what I will undertake to do is to complete the investigation so that I can report fully to the hon. member and to the House. I am informed that these three youths were not deported and that there was no action that could be called into question. There is a sharp difference between the allegations and the part of the investigation I have completed now, and until it is fully completed I do not know that there is much use in pursuing the matter. Rather than appoint someone to conduct an inquiry now I want to complete the investigation, and I will give the hon. member and the House a report on it.

Mr. Lewis: May I ask the minister whether he can assure the House that he can rely on the information he will receive from officers—

Mr. Speaker: Order, please. I would not think the question the hon. member is asking now is in order.

Mr. Lewis: Mr. Speaker, in view of the answer, with your permission I should like to raise the question at the time of adjournment.

Hon. George Hees (Prince Edward-Hastings): A supplementary question, Mr. Speaker. When the minister makes his full report would he make sure he does not do it on a short day?

Some hon. Members: Oh, oh!

Inquiries of the Ministry

[*Translation*]

AGRICULTURE

DAIRYING—POLICY RESPECTING GRANTS

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, I should like to direct a question to the Minister of Agriculture.

As it is recognized in high places that the producers of industrial milk are in no way responsible for inflation, could the minister tell us if he will reconsider his decision and recommend that the budget of the Canadian Dairy Commission, which was to be cut by $10 million, as announced by him, be left unchanged?

[*English*]

Hon. H. A. Olson (Minister of Agriculture): No, Mr. Speaker.

LABOUR RELATIONS

VANCOUVER—ACCEPTANCE OF COLLECTIVE AGREEMENT BY LONGSHOREMEN

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I wonder if I might put a question related to one asked earlier. In view of economic conditions on the prairies and the long drawn-out longshoremen's strike in British Columbia and the trouble it has caused, has the Prime Minister anything to report to the House on whether the strike is over and what position the government is taking?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I do have a report which the Minister of Labour will be able to complete when he is back in the House; he is now in Vancouver. I am told that agreement was reached between the negotiating teams and that the union membership will vote again—I think for the fourth time, on this agreement. There is no change—

Mr. Woolliams: Could I ask a supplementary, Mr. Speaker. The Prime Minister was interrupted by somebody. Could the Prime Minister advise us if the men are going to remain off work while that second or third vote is being taken?

Some hon. Members: Fourth.

Mr. Woolliams: Fourth.

Mr. A. B. Douglas (Assiniboia): Mr. Speaker, I wish to direct a supplementary question to the Minister of Transport. In view of conflicting reports, will the minister advise the House whether or not grain is continuing to move through the west coast terminals and, if not, will he use his great influence in order to put those ports back into operation immediately?

Mr. McCleave: Explain.

Hon. Donald C. Jamieson (Minister of Transport): Somebody has asked me to explain. I will do the very best I can on both counts, Mr. Speaker.

POLLUTION

CLOSING OF ARCTIC WATERS TO TANKERS PENDING MEASURES TO SAFEGUARD ECOLOGY

Mr. Louis-Roland Comeau (South Western Nova): Mr. Speaker, my question is directed to the Prime Minister and relates to the very serious concern over the grounding and subsequent break-up of the Liberian tanker *Arrow* off the coast of Nova Scotia. Since the anti-pollution measures in Chedabucto Bay seem wholly inadequate, will the government consider closing the Canadian Arctic to tankers until adequate measures and safeguards for the delicate ecology of the Arctic can be developed?

Right Hon. P. E. Trudeau (Prime Minister): Very soon, Mr. Speaker, there will be legislation tabled in the House which will deal with this general subject.

CHEDABUCTO BAY—PROCESSING OF CLAIMS FOR DAMAGES

Mr. Louis-Roland Comeau (South Western Nova): A supplementary question. How will the Canada Water Act or the new proposed legislation effectively cope with situations such as this?

Mr. Speaker: Order, please.

Mr. H. Russell MacEwan (Central Nova): A supplementary question, Mr. Speaker. In view of the great concern in the area and having just come from there today, can the Prime Minister advise where the people in the area of Chedabucto Bay, including the town of Canso, should direct their claims for any damages resulting from this pollution?

Some hon. Members: Oh, oh!

Mr. MacEwan: What is the answer?

TRANSPORT

JANE STREET RAILWAY UNDERPASS, TORONTO —CTC REPLACEMENT GRANT

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, may I direct a question to the Prime Minister. It has to do with the bottleneck caused by the underpass in Toronto at Jane Street and St. Clair Avenue. In view of the fact that the replacement of the dangerous and inadequate railway overpass on Jane Street in downtown Toronto has been jeopardized by the refusal of the Canadian Transport Commission to give financial aid of $750,000, is it the intention of the government to request the commission to give the full extent of the aid requested by Metropolitan Toronto?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, when the Minister of Transport is due in the House I will refer this question to him.

Some hon. Members: Oh, oh!

An hon. Member: He is sitting there.

Mr. Woolliams: Mr. Speaker, the Prime Minister's memory has just failed him.

Mr. Trudeau: Mr. Speaker, that minister is not due in the House today.

Some hon. Members: Oh, oh!

Mr. Alexander: Mr. Speaker, since the Prime Minister apparently will allow the Minister of Transport to stand up and answer my question, I should appreciate hearing an answer to my question from the Minister of Transport.

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, would the hon. member mind going back about ten minutes and starting all over again?

Mr. Alexander: Yes, Mr. Speaker. To make sure that there are no difficulties I shall repeat the question. In view of the fact that the replacement of the dangerous and inadequate railway overpass on Jane Street in downtown Toronto has been jeopardized by the refusal of the Canadian Transport Commission to give financial aid to the extent of $750,000, does the government intend to request the commission to give the full extent of the aid requested by Metropolitan Toronto, namely $750,000?

Mr. Speaker: Since we have already spent about five minutes on the question perhaps I ought to allow the minister to answer. I suggest to the hon. member that normally such questions are placed on the Order Paper or discussed at the time of adjournment.

Mr. Alexander: On a point of order, Mr. Speaker, I should think that a question such as this about one of the worst traffic bottlenecks in Metropolitan Toronto which has been the cause of numerous traffic accidents ought to be answered.

Mr. Speaker: Order, please. That, of course, is not a point of order. At the same time I have recognized that since we have spent about five minutes on the question the minister might be given an opportunity to reply.

Mr. Jamieson: Mr. Speaker, the reply to the question is very similar to the one I gave a few days ago. The whole question of assistance for the creation of overpasses is now being studied in the hope of finding a formula which will be far more adequate than the one at present existing. If the hon. member will look up *Hansard* of two or three days ago he will see that I gave the answer in more detail.

Mr. Alexander: Mr. Speaker I examined *Hansard* and the answer given on that day I believe it was Friday, does not seem to relate entirely to my present question. I am asking whether the minister is prepared to intervene in the matter and advise the Canadian Transport Commission to give full financial aid to Metropolitan Toronto?

Mr. Speaker: Order, please.

[*Later:*]

Mr. Barney Danson (York North): My question is to the Minister of Transport. When the minister is studying the legislation concerning grants for railway overpasses and underpasses, will he take into full consideration the many representations made by my colleague, the hon. member for High Park, and my other colleagues from the city of Toronto in this regard?

THE CANADIAN ECONOMY

PRICES AND INCOMES COMMISSION MEETING WITH BUSINESSMEN—PRESENCE OF CONSUMER REPRESENTATIVES

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I direct a question to the Minister of Consumer and Corporate Affairs about the meeting sponsored by the Prices and Incomes Commission being held today and tomorrow. Have the organized con-

sumers of the country been invited to sit in on this conference? If no such invitation has been extended to them, why have they been overlooked?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, the purpose of the conference being held today and tomorrow is for the Prices and Incomes Commission to obtain from the businessmen attending the conference a commitment with regard to a program of price restraint for 1970. It is they who must give the commitment and not the consumers.

Mr. Douglas (Nanaimo-Cowichan-The Islands): A supplementary question, Mr. Speaker. Inasmuch as our consumers have a very real interest in the outcome of the discussions, will the minister not consider permitting consumer representatives to sit in on the conference so that they express their point of view on the whole question of the rising cost of living?

Mr. Basford: Mr. Speaker, officials of my department are at the conference and statutorily they represent consumers.

Mr. James A. McGrath (St. John's East): Mr. Speaker, will the minister make a statement to the House on motions at the conclusion of the conference?

Mr. Basford: Mr. Speaker, the plan is that the chairman of the Prices and Incomes Commission will make a statement late tomorrow.

[*Later:*]

TIME OF DISCUSSIONS BETWEEN PRICES AND INCOMES COMMISSION AND ORGANIZED LABOUR

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, may I direct a question to the Minister of Consumer and Corporate Affairs. Following the conclusion of the meetings now going on between the Prices and Incomes Commission and representatives of management, when is it the intention of the chairman of that commission to approach again the leaders of organized labour?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, as I have said in the House many times, this is an independent commission. After completing this series of meetings, the commission will be looking at other areas in the economy where a greater degree of restraint might obtain.

[Mr. Douglas (Nanaimo-Cowichan-The Islands).]

Mr. Hees: A supplementary question, Mr. Speaker. Is the minister attempting to convey the idea to the House that he and the chairman of the Prices and Incomes Commission do not discuss these matters in imately? Is he trying to pretend that he does not know what the chairman of the commission intends to do later?

Mr. Basford: That is not true, Mr. Speaker.

Mr. Hees: Oh, nonsense!

Mr. Speaker: Order, please. That question is argumentative.

[*Later:*]

Mr. Hees: I wish to direct a question to the Minister of Consumer and Corporate Affairs. A few moments ago when answering a question, because he did not have a communication from the Chairman of the Prices and Incomes Commission the minister was not aware when the commission intended to reapproach organized labour. Would the minister speak to the chairman in the next 24 hours and report to this House the next time he is on duty?

Mr. Basford: I said, Mr. Speaker, that once this round of meetings is over and I am sure the hon. member will agree with me when I say I hope they will be successful, the commission will then be looking at other sectors of the economy where some form of restraint program could be worked out. Obviously, the area that the hon. member refers to is one of those areas.

Mr. Hees: A supplementary question. Will the minister take the first opportunity on motions to outline the program of the Prices and Incomes Commission on this very important matter?

PARTICIPATION OF MOVIE INDUSTRY IN MEETING WITH PRICES AND INCOMES COMMISSION

Mr. W. M. Howe (Wellington-Gray): A supplementary question to the Minister of Consumer and Corporate Affairs. In view of the fact recent news items have indicated that the cost of admission tickets to movies has added to the increased cost of living in Canada, is the movie industry participating in this retail price meeting in Ottawa? Has the minister discussed with them the tremendous increase in movie prices up about 70 per cent in the last 15 years?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, I do not know whether the movie industry was represented at today's meeting. I did not study the list of invitees that carefully. While I am sure hon. members are concerned about the prices of movies, and without degrading in any way the importance of obtaining reasonably priced entertainment, I think there are some other areas of the economy which have a priority position on the demands of the Prices and Incomes Commission.

Mr. Howe: Mr. Speaker, this item was in the recent report of the Dominion Bureau of Statistics. They thought it was a contributor. Why does the minister not feel the same?

Mr. Thomas M. Bell (Saint John-Lancaster): A supplementary question. Would the minister mind investigating the movie being shown in a certain theatre on Rideau Street in the city of Ottawa to see if the people of Ottawa are getting value for their money?

Some hon. Members: Hear, hear!

HARBOURS

COME-BY-CHANCE—PROVISION OF DOCKING FACILITIES FOR OIL REFINERY OPERATIONS

Mr. Walter C. Carter (St. John's West): Mr. Speaker, may I direct a question to the Minister of Public Works. On January 21 I asked the minister whether his department had received a request from the government of Newfoundland and a private industry for the provision of a docking facility at Come-By-Chance. I believe the minister replied that an application had been received but that certain information was not forthcoming from the private industry. Can the minister now say whether that information has been received and what the general situation is with regard to this matter?

Hon. Arthur Laing (Minister of Public Works): Mr. Speaker, I have had no further word.

POLLUTION

REQUEST FOR PUBLISHING OF LIST SHOWING PHOSPHATE CONTENT IN DETERGENTS

Mr. Randolph Harding (Kootenay West): Mr. Speaker, may I direct a question to the Minister of Consumer and Corporate Affairs. In view of the increasing demand by Canadians for information on the phosphate content of various detergent and soap products, will the minister publish a list of all detergents showing the percentage of phosphate which each detergent brand contains as a guide to those Canadians who want to start the fight against phosphate pollution now?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, I think that question ought to be addressed to my colleague, the Minister of Energy, Mines and Resources, who is co-ordinating the government's anti-pollution program. I understand that recently such a table was published by Pollution Probe of Toronto.

GRAIN

WHEAT—STATEMENT RESPECTING REDUCED PRODUCTION

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, may I direct a question to the Prime Minister. Can he say when the minister who reports for the Wheat Board will be back in the House? Also, will he tell the House whether the minister was uttering government policy when he is reported to have said in London that farmers will likely be advised by the government to reduce wheat production in the next crop year and that the advice will be accompanied by an advance announcement of the wheat delivery quota for the new crop year?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I shall have to consult with the minister about both these matters. He was away in London and I have not been in communication with him.

AGRICULTURE

SUGGESTED AMENDMENT OF FARMERS' CREDITORS ARRANGEMENT ACT TO PROTECT DEBTORS

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, may I address a question to the Minister of Agriculture. In view of the representations made by the National Farmers Union in regard to the debt position of western farmers, is the government prepared to update the Farmers' Creditors Arrangement Act in order to give the farmers some protection against excessive demands on the part of creditors?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, there has not been any concrete proposal made with respect to this matter. However, it was raised by a number of other

hon. members in the House several weeks ago. The questions that were raised were reviewed thoroughly.

Mr. Baldwin: On a point of order, Mr. Speaker, the minister should really advise the House that there is a specific proposal in the form of a private member's public bill in my name before the House.

Mr. Gleave: A supplementary question, Mr. Speaker. Will the minister in the very near future be able to report to the House on what action the government contemplates taking in this regard?

Mr. Olson: Mr. Speaker, if the hon. member had taken the time to read the exchange that took place not only between the hon. member for Peace River and myself but between the Minister of Justice and others several weeks ago, it would have been worth his while. Perhaps he should have taken the time to look the matter up in *Hansard.*

REQUEST FOR STATEMENT ON NEGOTIATIONS RESPECTING LOWER TRACTOR PRICES

Mr. H. W. Danforth (Kent-Essex): I wish to direct a question to the Minister of Agriculture. Since the major purchases may normally be expected during the next three months, does the minister propose to make an early statement in the House concerning the results of his negotiations with domestic and foreign tractor companies with regard to lower domestic prices in Canada?

Hon. H. A. Olson (Minister of Agriculture): Yes, Mr. Speaker, I hope so, but I cannot predict at this point in time what the results of these discussions will be because they have not yet been completed.

POLLUTION

REVISION OF REGULATIONS CONCERNING OIL TANKERS OPERATING IN TERRITORIAL WATERS

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I wish to ask the Minister of Transport, in view of the difficulty with the *Arrow,* whether it is the intention of the Department of Transport to revise the regulations regarding oil tankers operating in territorial waters and, if so, when may we expect these revised regulations?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, as I advised the House some weeks ago, the amendment to the Canada Shipping Act which will extend unlimited liability within the waters under Canada's control will be introduced in the House as quickly as possible.

Mr. Stanfield: A supplementary question, Mr. Speaker. My question was not directed to the matter of liability. I asked the minister whether it is proposed to introduce any new regulations restricting the operation of oil tankers within territorial waters?

Mr. Jamieson: Mr. Speaker, if it appears likely that such restrictions would in fact help to prevent this kind of situation, we will be very glad to introduce them. In fact, the regulation under which we were able to order the destruction of this vessel was only introduced about six months ago. We are up-dating the regulations all the time. I am not at all sure any regulation would have, in fact, changed the situation. If it turns out through an investigation that is so, we will be glad to do it.

Mr. Stanfield: A further supplementary. Is it the intention of the minister to conduct or authorize an inquiry to determine immediately what regulations, if any, would be helpful?

Mr. Jamieson: Mr. Speaker, such an investigation is already under way as a matter of course. It always starts as soon as there is a wreck of this sort.

CANADIAN BROADCASTING CORPORATION

ALLEGED ADVOCACY OF RACE PREJUDICE ON PROGRAM "ACTION SET"

Mr. W. B. Nesbitt (Oxford): My question is to the Secretary of State. Will the minister inquire from the Canadian Broadcasting Corporation the reason for the CBC production last Saturday morning called "Action Set", directed at the young people of Canada, openly justifying and advocating race prejudice and race hatred? I ask this question, Mr. Speaker, in view of the government's present legislation concerning hate literature.

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, I shall be glad to inquire into the matter raised by the hon. member.

[*English*]

VETERANS AFFAIRS

PROTECTION OF WAR VETERANS ALLOWANCE RECIPIENTS AGAINST DEDUCTION OF PUBLIC SERVICE PENSION INCREASE

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question

to the Minister of Veterans Affairs. In view of the very welcome increases in the pensions of retired civil servants that are to come into effect in April, and in view of the fact that some of those who will get these increases are receiving the war veterans allowance, will the minister take the necessary steps to see that these increases are not deducted from the war veterans allowance in the same way as the minister has done with respect to the 2 per cent increase in the old age security pension?

Hon. Jean-Eudes Dubé (Minister of Veterans Affairs): Mr. Speaker, I will be very pleased to look into the matter with all possible sympathy.

[*Later:*]

DISCUSSIONS ON WOODS COMMITTEE REPORT —CONVENING OF STANDING COMMITTEE

Mr. Mark Rose (Fraser Valley West): Mr. Speaker, my question is to the Minister os Veterans Affairs. In a sense it is supplementary to the question asked by the hon. member for Winnipeg North Centre. In view of the in'erest of veterans across Canada in the report of the Woods Committee, can the minister report to the House the current status of discussions between his officials and those of the national veterans organizations? Also, when will the standing committee be in a position to reconvene?

Hon. Jean-Eudes Dubé (Minister of Veterans Affairs): Mr. Speaker, they have just about completed their discussions and they should report very soon to the committee. As soon as the committee has reported to the House we will be pleased to prepare legislation on this matter.

REGIONAL ECONOMIC EXPANSION

WESTERN CANADA—REQUEST FOR REVIEW OF INCENTIVE PLAN

Mr. G. W. Baldwin (Peace River): I have a question for the Acting Minister of Regional Economic Expansion. Having in mind the difficult conditions which exist in parts of western Canada, will the minister consider reviewing and re-examining all aspects of the regional incentive plan as it applies to these parts of western Canada so that some form of assistance may be provided?

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): I will bring this question to the attention of the minister, Mr. Speaker.

Inquiries of the Ministry

INQUIRY OF THE MINISTRY

Mr. Mac T. McCutcheon (Lambton-Kent): May I direct my question to the Prime Minister. It concerns the $130,000 which it is reported the Prime Minister proposes to give to the government backbenchers for "research". Is this being done in lieu of their request for salary increases?

Some hon. Members: Hear, hear!

[*Translation*]

AGRICULTURE

DAIRYING—POLICY RESPECTING GRANTS

Mr. Roch La Salle (Joliette): Mr. Speaker, I should like to put a question to the Minister of Agriculture.

In view of the answer the minister has just given to the hon. member for Bellechasse (Mr. Lambert), to the effect that the decision to reduce by $10 million the Canadian Dairy Commission's budget is irrevocable, and also in view of the fact that the Committee on Agriculture will have to make recommendations to the government, does the answer given to the hon. member for Bellechasse mean that the committee need not trouble recommending to the government to review its position on the dairy policy?

[*English*]

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, obviously the Standing Committee on Agriculture is its own master and may decide what it wants to put in its report to this House.

EXTERNAL AFFAIRS

PHASING OUT OF U.S. NAVAL OPERATION AT ARGENTIA, NFLD.

Mr. Walter C. Carter (St. John's West): My question is addressed to the Secretary of State for External Affairs. Is the minister aware of any plans on the part of the United States government to phase out its naval operation in Argentia?

Hon. Mitchell Sharp (Secretary of State for External Affairs): We have held consultations with the United States government concerning reports that they were planning to phase out their operation in Argentia, and we expect an announcement will be made soon by the Americans.

Inquiries of the Ministry

CHARGING OF FEE FOR ASSISTING PASSPORT APPLICANTS

Mr. W. M. Howe (Wellington-Grey): I have a question for the Secretary of State for External Affairs. It has to do with a recent news item in a weekly newspaper to the effect that for a fee of $5 a certain organization is willing to aid applicants for passports. Is the minister aware of this offer and, if so, what action does he intend to take? This concerns a fee for assisting people to obtain passports.

Hon. Mitchell Sharp (Secretary of State for External Affairs): I am sorry. Would the hon. member repeat the first part of his question?

Mr. Howe: I referred to a news item which appeared recently in my weekly newspaper. It indicated that a certain Ottawa organization is charging $5 to assist people to get their passport applications processed in approximately two days. Does the minister or the department approve of a commercial firm doing this?

Mr. Sharp: All I can say is that I would recommend that no one pay money for that purpose.

ACTION TO SPEED UP PROCESSING OF PASSPORT APPLICATIONS

Mr. Max Saltsman (Waterloo): Mr. Speaker, I should like to ask the minister whether he has taken action to ensure that there will not be the same mix-up in the passport branch this year as there was last year?

Hon. Mitchell Sharp (Secretary of State for External Affairs): As I have told the House on several occasions recently, we are opening offices in some of the principal cities of Canada outside Ottawa in the hope that this will expedite the issuing of passports, but I can give no undertaking that if the demand for passports increases in the order of 20 or 30 per cent, as it did last year, there will not be some delays. I think it would be quite impossible to handle the peak volume of business and issue passports in the same interval of time as would be required to deal with applications made today.

Mr. Saltsman: Can the minister inform the House whether some of his concern as to the ability of the passport office to handle these applications arises out of the government freeze with respect to hiring new staff?

Mr. Speaker: Order, please.

[Mr. Sharp.]

THE CANADIAN ECONOMY

INCREASE IN AUTOMOBILE INSURANCE RATES

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): I have a question for the Minister of Consumer and Corporate Affairs. A couple of weeks ago I asked the minister whether his department was looking into the fact that the companies handling automobile insurance were contemplating a general increase in premiums across the board. The minister said his department was looking into the matter. I want to ask him now whether this investigation has been completed and, if so, what action, if any, his department or the Prices and Incomes Commission propose to take with respect to this general across-the-board increase in car insurance rates?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): The answer is the first of the alternatives mentioned by the hon. member; we have not yet completed our inquiries into this matter.

Mr. Douglas (Nanaimo-Cowichan-The Islands): May I ask the minister how soon he expects to complete the inquiry and whether he will be making a statement in sufficient time for it to have some effect on car insurance rates this travelling season? Does the minister hope he can do this fairly soon?

Mr. Basford: Yes, Mr. Speaker.

• (3:20 p.m.)

GOVERNMENT ORDERS

EXPROPRIATION

ACQUISITION AND ABANDONMENT OF LAND, APPOINTMENT OF HEARING OFFICERS, ETC.

The House proceeded to the consideration of Bill C-136, respecting the expropriation of land, as reported (with amendments) from the Standing Committee on Justice and Legal Affairs.

Mr. Speaker: As hon. members will have noticed from the Order Paper today, there are a number of motions proposed for the consideration of the House at this time. In conformity with the authority vested in the Chair under Standing Orders, I have looked at these proposed motions and I should like to suggest to the House in what order they might be considered and in what order the House might be invited to vote on them if and when a vote is required.

Motion No. 1, I believe, could be considered separately and, if necessary, voted upon as a separate proposal.

Motions Nos. 4, 5 and 6 should be grouped and disposed of as part of a single motion, and voted upon on the same basis.

Motions Nos. 4, 5 and 6 should be grouped and discussed as a single motion but, if necessary, three votes should be taken.

Motion No. 7 should be considered and if necessary voted upon separately.

Motion No. 8 is to be considered and voted upon separately if required.

Motion No. 9 should be considered and, if required, voted upon separately.

Motions Nos. 10 and 11 should be grouped and considered together but, if required, a vote should be taken on each separate motion.

If hon. members agree to these suggestions we shall proceed on this basis.

Mr. Knowles (Winnipeg North Centre): May I make one brief comment? Speaking for my hon. friend from Greenwood, we certainly agree with your suggestions, and we might even go a bit further. Since they are consequential, some of these motions may not need to be put at all unless the prior motions are accepted. One hopes they will be. But we may save even more time than Your Honour expects.

Mr. Speaker: If there are no comments we shall carry on, procedurally, as I have suggested. We shall now consider Motion No. 1 which stands in the name of the hon. member for Calgary North. This will be debated and voted upon separately, if necessary.

Mr. Eldon M. Woolliams (Calgary North) moved:

That Bill C-136, an Act respecting the expropriation of land be amended by adding the words "and/or any Superior Trial Court of the Provinces of Canada" after the words "Exchequer Court of Canada" in paragraph (a), sub-clause 1 of clause 2.

He said: Basically, Mr. Speaker, this motion is a very simple one. It merely asks that under the new Expropriation Act the superior courts of the various provinces be given concurrent jurisdiction with the Exchequer Court. I may say at the outset of this debate that in the committee several amendments which had been proposed to the bill were accepted. This one was rejected in committee and I now move it here at this stage.

As members of the House appreciate, the bill is concerned with matters which fall directly within federal jurisdiction, particularly when property is being expropriated by the federal authority for public works or other purposes. In support of this motion I would say at the outset that justice must be obtainable by all Canadians if there is to be any kind of just society. Economic disparity leads to judicial disparity. By this I mean that access to the courts often depends on the ability of a person to afford counsel to litigate in those courts. The law is the same for everyone in Canada. No one disagrees. But the implementation and application of the law are not the same. Those whose land has been expropriated by federal authority can only litigate, or continue to litigate, and hire the best counsel in the field, assisted by the best appraisers, if they have the economic worth which enables them to do so.

In the past we have tried to cure some of the problems, and giving the Exchequer Court sole jurisdiction in this field will put a lot of people behind the eight ball in that they will not be able to afford to litigate and will take settlements that they would not otherwise take. This is because litigation in many courts in Canada is now a luxury. Any changes in this regard are merely scratching the surface.

While on the subject of justice, I have talked about economic disparity leading to judicial disparity, and I have said that all Canadians are equal before the law. However, it is in the implementation of the law that we run into difficulty. Let me put this quotation on the record:

> Of all the valuable things on earth, man is most valuable because he is an end, not a means. The revolution today is for him, that his dignity might at long last be realized on earth, as well as in heaven. No matter what his race, his colour, his country, his culture, or his religion or the lack of it, he is a *res sacra*, a sacred thing, a person who deserves better of this world if his inner dignity is not to be lost in the outer indignity of so much that is utterly unhuman in modern life.

I am going to try to bring forward evidence to show that by forcing claimants who cannot come to a settlement to go to the Exchequer Court you are asking many of them to get into the kind of luxury litigation that they can ill afford. A lawsuit involving $100,000 in the Exchequer Court can cost up to approximately $25,000. I recall a case in 1967 in which the judgment was recently handed down. I am making no complaint about the judge in this regard. There was some thought of going on with the litigation—I will deal with that a little later—but I want to present the taxed bill in that case as evidence today.

I will refer to the minister's remarks in a few moments, but when he was speaking in the committee his main argument was that it was just as reasonable to litigate in the Exchequer Court as it is in the Superior or County courts of the provinces. Some of us have had experience in this regard and I say that, in light of my own experience, there is a big credibility gap between the minister and I.

In this case the judgment involved a little over $100,000. The case, tried in the Exchequer Court, was between Lake Louise Ski Lodge Limited, one Alfred Cooper and one Mary Boyle, and Her Majesty the Queen in the name of the former Department and Minister of Northern Affairs. The action concerned some land in Lake Louise which was expropriated, a case which went on for a considerable length of time. The taxable costs amounted to $3,412.44. They were the costs that were allowed by the court and were awarded to the successful claimant against the crown. The total costs, some of which were not allowed, between solicitor and client amounted to about $25,000. Some of those costs were disbursements with respect to engineers, and they were not allowed. For example, the appraiser's bill came to $7,000 odd and it was taxed at $4,746. That accounts in part for the difference between the $25,000 and the $13,000 allowed by the court.

The Exchequer Court has come a long way since I made my first speech about reforming that court's procedures and I know the minister has done a lot in this regard too. He has listened to the opposition, just as he listened to the opposition in the matter of the amendment respecting the Supreme Court of Canada. But in spite of these reforms that originated from the mouths of us on this side, I still say with great respect that the Exchequer Court is a very expensive court for the average man.

Mr. Blair: Might I ask the hon. member a question?

Mr. Woolliams: Certainly.

Mr. Blair: Does it not appear to him that his clients perhaps retained a very expensive lawyer?

Mr. Woolliams: I am glad the hon. member for Grenville-Carleton (Mr. Blair) asked me that. The fact is that I am not talking about our costs. I realize the hon. member has had some experience with litigation, though perhaps not much. I am talking about costs which were taxed by the court. I am sure my good friend from Grenville-Carleton would not suggest for one moment that the registrar and his officers would tax any costs which were not justifiable. He knows enough of procedure to know that. So I hope I have answered his question. Sometimes the most expensive article is the best article. I do not always contend that you get the best article by buying the cheapest.

May I draw an analogy. I remember a case involving the expropriation of an acre of land on which was a flowing well and for which the applicant was asking $100,000. The litigation in that case was decided in the provincial county court, since it involved a provincial matter. This case is reported. True, it is an old case and one has to allow for these days of inflation, but the case is *Town of Tisdale v. Tisdale Rural Municipality,* reported in 1949, 1 Western Weekly Reports, page 963. In that case, the costs were taxed at around $1,500, and for the information of my good friend from Grenville-Carleton, who is interested in these matters, the solicitor and client costs were about $1,000.

So, my contention is that in litigation matters it certainly costs a lot less to go to the provincial courts than to the Exchequer Court. Although I appreciate you cannot have two identical cases, if some matter came before the Superior Court, the Supreme Court trial division of the province of Alberta, the Queen's Bench division in Saskatchewan, or indeed the Supreme Court of Ontario, the costs would not be taxed as high and the cost of the litigation would be less.

My good friend opposite shakes his head but I am just relating to him my experience. If he wants to stand up and put one of his reported cases on the record, then I would like to hear about it. I have looked pretty thoroughly through the reported cases but have not seen any case dealing with expropriation in which he, personally, has been engaged. If I am wrong in that, I stand to be corrected.

Mr. Blair: We settle them.

Mr. Woolliams: Hence, when the minister says that it costs less to litigate in the Exchequer Court, there is a large credibility gap between his experience and mine. I do not think there are any practical lawyers who would accept the position taken by the minister. I realize it is very difficult to get a lawyer to come forward and say he prefers one court over some other court, and we all know why this is. I am sure the minister will admit that

one has to be pretty careful when criticizing the courts or even when suggesting changes in court procedures.

If I might digress for a moment, I should like to say that in no way am I criticizing the Exchequer Court. I am just saying that in cases where the land of individuals in Canada is expropriated by the federal authority they should have the option to choose where to fight the case. The individual should be able to decide which is the cheapest avenue of litigation, the one that will give him the most for his money. Surely, that is what we call democracy. In my opinion, it is cheaper to litigate in the provincial courts.

• (3:30 p.m.)

Secondly there is accessibility to provincial courts which does not exist in respect of the Exchequer Court. When I speak of accessibility, I have in mind the new rules of the Exchequer Court which came into being about the time of the case to which I made reference. If you look through these you will see that these new rules of the Exchequer Court—the document known as, "Exchequer Court, General Rules and Orders"—are printed in English and in French, one language on each side of the page, containing about 443 pages and about 301 rules.

I do not have time to compare these rules this afternoon, but if you compare the English rules of court with Alberta trial courts you will find a tremendous difference. I am not being critical in that regard because the British have a highly sophisticated kind of practice that is not carried on in many of our Supreme and District Courts in the provinces. The Exchequer Court has a much more sophisticated practice, like the British Practice.

There is a case from Calgary now proceeding on the same basis as the one for which I was counsel.

Mr. Turner: What are the dates of those?

Mr. Woolliams: These are the latest rules. They were brought up to date. I looked these up and, I do not wish to misrepresent, but I think it is 1968. These are the new ones and they were brought up to date in 1969 when a few changes were made. They were overhauled and I congratulate the President of the Court for this.

They were brought up to date but, as the minister knows, up to that time there were a lot of rules. They were difficult to ascertain, and I want to state that most lawyers who have a case which has to go to the Exchequer Court, and that is the court to which it will go if this bill passes in the form it is, generally hire an expert, probably from Ottawa or Toronto, where the lawyers are more accustomed to dealing with this court. There is not so much litigation flowing from the small centres to the Exchequer Court.

I do not want to name the lawyers as I do not think it would be fair to them, but there is a case now proceeding from Calgary on the same basis. It involves expropriation of land in a National Park on which is situated a motel. A very able counsel in our provincial courts is representing the parties. He finally came to the conclusion, as a result of meeting with several problems in the court—and I say this without disrespect for the court—that he would have to get somebody who was accustomed to practicing in a sophisticated manner under these rules. As a consequence, he hired a man from Ottawa who was more familiar with Exchequer Court practice than other learned counsel from Calgary who were experienced in the courts there. The fact is that the rules are more complicated.

For example, let me point out one very great difference. In the ordinary case in the province of Alberta or Saskatchewan you know, through your practice of law, that you start with a statement of claim and then there is a statement of defence. You do not have all the niceties of joining issues. They are automatically joined under the rules of court. You finally hold a simple discovery, get an appraiser and set the case down for a date without all this nonsense of application. You hold the trial, the judge makes a decision and you get a judgment. That is how simple it is.

When you get into the Exchequer Court you do so by petition. That is a little different. You then have a defence filed, followed by various applications. In fact there are several applications necessary before you can go to trial. You then set the issues. I always thought that was what the pleadings were for, to set out the issue. That is why you should have good pleadings. If a judge comes along, after you have had the discoveries, and orders the issue defined, then you are fenced in. Many lawyers know that sometimes following the trial of an action the pleadings do not fit the evidence. There are lots of decisions on that. However, as long as it does not prejudice one side or the other the pleadings can be amended right there without any extra proceedings, cost or time. This is not so in the Exchequer Court.

The Exchequer Court is a most sophisticated court because it has jurisdiction in respect of federal actions. I do not intend to get into that today. I say there is a whale of a difference between the Exchequer Court and a court sitting every week in Calgary holding trials or where applications can be made in chambers to perfect the proceedings for trial. This is where you obtain judges orders which are sometimes necessary as conditions precedent to having the matter heard in court. Much time is saved then or at a later date. The case is tried and you either get judgment or judgment is reserved.

Practicing lawyers are more familiar with their own courts, and they are more experienced there. Most lawyers in western Canada, Ontario and, indeed, in the Maritimes may be specialists in their own provincial courts, but not in respect of the rules which govern the Exchequer Court of Canada. These rules to which I have referred are entirely different. Most practicing lawyers may have one or two Exchequer Court cases in their lifetime, yet the rules and procedures are entirely different. Hence, as I said, such counsel have to hire outside lawyers in order to make sure their clients get justice. What average man can afford this luxury?

You must start an action in the Exchequer Court, as I said, by petition. In most courts you start the action by a statement of claim. This is a very simple process. Then, you have an examination for discovery. In many cases they are fishing trips to find out the strength of each side's case. You examine the opposite party to discover his knowledge of the case and determine the evidence.

In the case of an expropriation action, it is necessary to get an officer of the Crown appointed. If you cannot agree on the person you get a person named by a court order and the lawyer examines that person for discovery, and vice versa. When you use the provincial courts, the examination for discovery can be held at the local courthouse.

As I said in the beginning, there have been new arrangements, and you can now have examinations in Exchequer Court cases held in the local area, as in the Lake Louise case. I must say that the Crown was co-operative in that regard. The discoveries were held in Calgary, but this is the point I put to you. The discoveries were held in Calgary and the Crown sent out three counsel who lived in a nice hotel in that city. I agree they should stay in a nice hotel in my city. They were there for several days. Who paid this cost? The minister says this was done to save the taxpayer's money. Let me assure you, Mr. Speaker, that there is no record of what it costs to send lawyers across the country to Calgary, Vancouver, Halifax or wherever it is, but it is expensive. The airfare return to Calgary is $212. These three individuals had to stay in the hotel there for a number of days. We do not know how many thousands of dollars it cost the Crown to hold these discoveries in Calgary.

If we had concurrent jurisdiction in our provincial courts we could save the taxpayers that money. If the Crown is going to spend that money, it would be better to give it to the claimant in the first place rather than waste the taxpayer's money. My friend laughs but these are arguments he cannot refute. They are correct. They are arguments based on experience with this kind of litigation.

There is another point I should like to mention regarding environmental knowledge. I am sure most hon. members will agree with me in this regard. A judge is not entitled to make a decision outside of the evidence he hears. He must base his decision on the evidence adduced of the value of the land which, in expropriation cases, is generally given by an appraiser. The judge may choose to accept the evidence given by the appraiser hired by the claimant or the evidence of the appraiser hired by the Crown. He may make a decision somewhere in between. The judge may also, as in one case, decide not to accept the evidence of either appraiser, but on the basis of his own opinion. In any event, the judge comes to a decision on the evidence.

The point I want to make is that the judge of a provincial court knows the environment, knows the site of the property, knows the economics of the province and knows the basic situation. I say that he could come to a decision that would be fair to the taxpayers of Canada and that would be fair in respect of the claimant much easier than someone who is more familiar with the situation here in Ottawa or elsewhere in Canada. So, I say that a judge from the environment in which the land and property is situated would have a greater built-in knowledge concerning the worth of a piece of land. In other words, a western judge would know more about western properties than would an eastern judge. And I believe that you would agree that an eastern judge would know more about land expropriated near Toronto for a federal project than would a western judge.

• (3:40 p.m.)

Mr. Turner (Ottawa-Carleton): He would interpret the law on the evidence.

Mr. Woolliams: Yes, but it is he who would decide the case. He would be entitled to use his environmental experience in interpreting that evidence and in coming to a decision. Why is there opposition to the suggestion? Why are the minister and other members of his party who seem to vote along party lines on this matter opposed to this suggestion?

I certainly cannot accept what the minister says so far as the cost is concerned. I will ask him this, and I should like to know his answer. Should not the average man be given the opportunity to litigate not in the Exchequer Court, which the minister says is great, but in a court which is more accessible to him and more familiar to him? Why should the great big state dictate to him where he is to get justice? Why is he refused? If by having a choice the litigation could be made cheaper for the average citizen and the lawyer who would advise him accordingly, why should the big state dictate the decision in that regard?

I should like to refer for a few moments to the second report of the Committee on Justice and Legal Affairs dated November 25, 1969. I am referring to page 15, where I am reported as saying:

> On a point of order, with reference to your argument as I can see the Minister and I do not agree, my experience and his before the Exchequer Court are absolutely opposite.

Then, the minister interrupted and said:

> Yours has not been as happy as mine has, it must have been the cases.

I continued:

> I am quite satisfied with the judgments. I have had two or three and I think they were just; they were pretty good judgments. I think one should have gone to the Supreme Court of Canada—

Now, I should like to deal with that for a few moments and mention what it would cost to go to the Supreme Court of Canada in respect of this one case. We speak about the just society being just for the average Canadian. I say it is still a luxury to litigate. It is still the big corporations and the wealthy man who can afford to litigate. I admit I was dissatisfied with this particular decision. I wrote to the official court reporters of the Exchequer Court and I received a reply on July 4, 1967. My people had already had disbursements amounting to almost $20,000. That figure does not include any legal fees.

If these parties wished to appeal to the Supreme Court of Canada what would it cost them? It would cost $4,894 to have the evidence printed. I am speaking from memory, but as my hon. friend knows something like 30 copies of the appeal book must be printed, including the factum. I find nothing wrong with this because one should expect this type of sophistication when dealing with a court as high as the Supreme Court of Canada. But when we are speaking of the cost of litigation we should consider the ability of the average man to appear before the average court in his home area where he can litigate at a reasonable price. I wish again to quote from the committee report:

> However, I want to come back to the Minister's argument which, I think, was completely contradicted by his last statement, with the greatest respect to him. If the Exchequer Court is all that he says it is, why did he for the first time to my knowledge say to me and to this Committee that he is going to bring in a reform bill to reform a court. If it is that good he would not need the reform.

That is what he said before the committee. He said, "I know we have problems". That is how he expressed it in his nice way—and he is nice. He said that judges will go across the land and hold hearings in chambers. They did that even before the present minister took office. This does not solve the problem of the cost. Then, as recorded in the committee report, I said:

> I think in most Supreme Courts—I have not practised in the East, but I have practised in two Western provinces—the disbursements to get into a piece of litigation or to get into court on a piece of litigation would cost anywhere from $100 to $200, including the discovery—

On top of the $200, one would have to add the cost of the appraiser, but the total cost of the appraiser I must admit would probably not be any more in respect of the Exchequer Court than it would in respect of the county court. I do not wish to leave the wrong impression in that regard. I said:

> I challenge the Minister and I am prepared to file a bill, a taxable bill, against the Crown which was taxed because we were successful—while I do not know the exact amount, I think he will find it cost around $15,000.

My bill was taxed at $13,412. Some disbursements were not allowed by the registrar who exercised his usual discretion. I continued:

> The rules in our Supreme Courts in western Canada have been streamlined to fit the new circumstances and the demand for expedition, but the rules of the Exchequer Court as I read them, which are in a white practice book put out by the English

practice are pretty well the same kind of rules that have been operative in England for the last 100 years.

I do not wish to leave the wrong impression. In our Alberta and Saskatchewan courts, we have rules based on the rules of perhaps 100 years ago. But there has been a tendency in these courts to streamline the procedure.

In respect of divorces, for example, there is a backlog in most provinces because of the shortage of judges. I wish they would be appointed. In Alberta, if there is a lawyer on the other side, you can start the action on a Monday and be on for trial by Friday. However, in some of the provinces in the urban centres—and this is no criticism of the judges or lawyers—one sometimes has to wait as long as nine months. This is the reason I support the amendment. We must streamline our rules. Recently, I read an article by a well-known member of the Canadian Bar who said that if anything is backward it is the procedures of our courts and they must be streamlined because we have been living in the past. As I say, in my own province we are streamlining the courts and getting things done. I think we should be streamlining all our courts and getting on with the business of the nation.

• (3:50 p.m.)

We could pass as many bills as we like here, but the test comes when we get down to the application. I said in the committee:

I would like to see the rules of the Exchequer Court brought before this Committee as well as the rules with reference to the Supreme Court trial division of the provinces of Ontario and Alberta and I think he would find that the rules of Alberta and the rules of Ontario are almost identical. I think he also would find that the rules of the Exchequer Court are more in line with the English practice—

I am not being critical; I am just being practical and telling the House what the facts are. I went on to say:

—which in Britain may be applicable to a place the size of Great Britain, but certainly work hardships as far as the individuals are concerned who have very little money in which to go before the Exchequer Court when their land is expropriated.

That is my position, but if the minister assures this committee that they are going to reform this court so it will serve the average Canadian, then I think I will have succeeded in getting something across—

As the minister promised the committee there would be, there has been a tremendous improvement recently in court procedures. So, the battle has not been totally lost.

[Mr. Woolliams.]

I want to read to the House what the minister said in answer to my comment, and this is where the credibility gap occurs. I have brought my documentation to the House this afternoon. I did not take it to the committee.

Mr. Blair: You had it in the committee.

Mr. Woolliams: I did not bring it forward in the committee. I intended to have it filed, but I did not.

Mr. Blair: You read it for 30 minutes.

Mr. Woolliams: I can read what my good friend said a few minutes from now, but I will not digress to bother with him. If he is not interested in justice for the average man, if he is more interested in representing big corporations here in Ottawa and across the country, let him speak for the rich. I am here to speak for the average man.

Mr. Blair: Well, well, well. Mr. Speaker, I rise on a question of privilege simply because people reading *Hansard* would not realize the jocular manner in which my hon. friend spoke. I think that my hon. friend, knowing the profession and knowing the rules of this House, would not wish to cast personal reflection on anyone else.

Mr. Woolliams: I am not making any personal reflections, but if my hon. friend would just listen and, if he has an argument, would come forward with his argument, that would be better. If he is representing the poor, let him say so.

Mr. MacEwan: If the hat fits, wear it.

Mr. Woolliams: I would not say that, but I did notice a little sensitivity there.

Just as the Minister of National Health and Welfare (Mr. Munro) said last night on television, the poorest people are to be found in the ghettos in Canada, and all they get is of poor quality; those people even get the poorest lawyers. That may be true. That is what I am trying to say here. I know the minister feels that way himself. He does not have an easy job, and I know his problems. I am certainly by no means being critical of him.

The minister said in the committee:

I cannot let some of these allegations against the Exchequer Court stand. I would be willing to file the schedule of fees and costs before the Exchequer Court—

I have them here and I am willing to file the schedule of fees and costs before the

Exchequer Court and before every provincial court. The minister went on to say:

> —and I can assure this committee, certainly on the basis of the experience I have had—and I will take a gamble on this—that the taxable fees and costs in the Exchequer Court compare favourably and are in most cases less than the comparable costs in the superior courts of this country.

I disagree with what the minister said. There is a big credibility gap between my experience in western Canada and the minister's experience. He did not file this information with the committee. I make nothing of that, but I may say that at least I presented factual evidence here today, as to what I know and what lawyers feel, so far as the difference in costs is concerned.

Apart from all that, I should like to repeat one argument. If the minister is right, then why does he not give litigants the right to make the choice? I trust that the people of Canada whose land is expropriated, regardless of whether they are wealthy, have middle class incomes or average incomes, will go to the court which will serve them best economically. I have enough faith in their ability and that of the lawyers serving them to believe that this is what they would do. I would like to hear an answer to that.

In conclusion, I ask the House to support this amendment, and I ask the minister to reconsider his position, because I believe him to be a just man. I believe that he wants to serve the average man better in this regard.

Hon. John N. Turner (Minister of Justice): Mr. Speaker, ever since I have been in this House of Commons I have heard the argument of the hon. Member for Calgary North (Mr. Woolliams) on the Exchequer Court. I want to say to him with frankness, yet discretion, that sometimes I cannot distinguish the argument from the autobiography of the various cases he has conducted with varied success before that court. It used to be that whenever the debate involved the estimates of the Department of Indian Affairs and Northern Development, estimates on national parks, or those of the Department of Justice, this question would come up.

I want to answer at the outset some of the arguments that the hon. member has attempted to submit to your Honour and to the House. In doing so, I wish to ask the House to recall that the Standing Committee on Justice and Legal Affairs dealt with this question very thoroughly. The proceedings are available to the House. The arguments that were presented this afternoon by the hon. member for Calgary North were presented then. The arguments which I will attempt to adduce in answer to him were given by me at that time before the committee.

He alleges, first of all, that the Exchequer Court is an expensive court, that it is more expensive to litigants than the supreme and superior provincial courts across Canada. I disagree very strongly. We introduced at the committee stage the taxable costs of the Supreme Court of Ontario as a representative provincial court as against the Exchequer Court of Canada, and item for item the Exchequer Court was cheaper and compared favourably with the Supreme Court of Ontario. The costs of the Supreme Court of Ontario are, in the main, comparable to the costs of other provincial or supreme courts across Canada.

When the hon. member speaks about taxable costs, I think he should be fair to the House and to the public in distinguishing those costs which are set forth in items as against particular proceedings in a court case beginning with a statement of claim, going through the motion stage and the interlocutory stage, the production of exhibits, and the rest of it. Those costs are fixed and itemized under the schedule of costs of each court in Canada. They are invariable and, as I said, on those invariable costs the Exchequer Court compares very favourably with the supreme and superior provincial courts of this country, and I adduced evidence to that effect.

As Your Honour knows, having practiced law yourself, other taxable costs that might be allocated as between the solicitor and the client are within the discretion of the taxing officer of the court or the discretion of the judge. Those costs depend very much on the difficulty of the case, the length of the case, its importance, the principle of law at stake, the preparation involved for counsel on both sides, and so on. They vary directly with the amount of effort put into the case by counsel and, at the discretion of the taxing officer or the judge, are awarded to counsel at the conclusion of the case.

It is all very well for the hon. member for Calgary North to bring in one of the cases in which he has appeared, but we do not know the subject matter of that case, how long it took him, how much money was at stake. We do not know the result of the case either, although I suspect it. We do not know any of those variable items. Really, what he is attempting to do is to induce the House to get into an apples and orange argument, that is to

compare one case which he happened to have had in the Exchequer Court as against a comparable case in the Supreme Court of Alberta.

I want to say also that when we look at the expropriation bill itself, which is the bill currently before the House, we should recall some of its provisions. Clause 36 (2) puts the question of costs in proper perspective because if the amount awarded by the court, if the matter goes to litigation, exceeds the amount offered by the Crown, costs are payable by the Crown on a solicitor and client basis. In other words, as a matter of law, if negotiation is unsuccessful, and a Canadian citizen involved refuses to accept the offer by the goverment of Canada as the price of his property to be expropriated, and on going to court obtains an amount from the court in excess of the Crown's offer, then all costs are payable by the Crown.

• (4:00 p.m.)

Clause 27 makes it quite clear that all legal costs and appraisal costs are allowable costs, not only in successful litigation but prior to litigation, and are added to the price of the expropriated property payable by the Crown. If the award by the court is the same or less than the offer of the Crown, the costs are discretionary and may be awarded by the court depending on the validity of the expropriated owner's case. Costs prior to litigation are automatically, by law, payable by the Crown. Those costs incurred in legitimate negotiation are payable by the Crown and, as I say, litigation costs are awarded automatically by the court if the offer by the Crown is less than the award by the court.

I want to repeat the argument I made in committee, Mr. Speaker, that in terms of the itemized costs of the Exchequer Court of Canada as against those of the superior courts of this country there is virtually no difference and, if there is any comparison, the comparison is in favour of the Exchequer Court. That evidence is before the committee.

Mr. Woolliams: What page is that?

Mr. Turner (Ottawa-Carleton): I think the hon. member will find it, if he looks, and certainly after I have finished this speech I will consult with him. Although the hon. member was diligent in his attendance at the committee maybe he was not present on the morning that I introduced that evidence. In any event, the variable taxable costs which he talked about in an autobiographical way would depend on the case he had, the amount of time and skill spent on preparation, and the amount of money at stake. I want to suggest to the House that that type of evidence which he offered is not too convincing.

The hon. member went on to say that the Exchequer Court of Canada was not as accessible to litigants as the superior courts of the provinces, and that its rules were more complicated than those of the superior courts. I would point out that its rules have just been revised and recently published in both official languages. As the hon. member knows, I have had my share of practice before the Exchequer Court. I have compared its new rules with those of the Supreme Court of Ontario, and the hon. member has admitted today that the rules in Alberta are very similar to the Ontario rules. I have also compared them with the rules of the Supreme Court of Quebec, and I say that they compare favourably in terms of speed and availability of the court to the average lawyer.

The rules may be slightly different in Alberta, and I want to congratulate the Chief Justice of the Alberta Supreme Court if its rules are as expeditious as the hon. member says, because elsewhere in Canada provincial courts do not enjoy that happy situation. The time of delay for a civil trial in Montreal runs from two to three years, and in Toronto it is about the same. In most of our major cities, there is a considerable delay between setting an action down for trial and the actual hearing of the case before a superior court.

Mr. Woolliams: That is an awful admission to make. Why don't you appoint more judges?

Mr. Turner (Ottawa-Carleton): It is not a question of appointing judges. This is something that I and my brother Attorneys General across the country will be discussing on a future occasion because, as the hon. member knows, the daily administration of the courts is within their jurisdiction and not mine directly.

To get back to the Exchequer Court of Canada, normally a case can be set down for trial within two or three months after issue is joined. The hon. member knows that. He admits that the Exchequer court now goes on circuit. It travels right across the country. A trial before it is available in all major centres. It is not necessary for lawyers and their clients to come to Ottawa to plead their cases before the Exchequer Court. Motions can be heard at any major city in Canada. Whenever an interlocutory proceeding is necessary, the court will send a judge to hear that matter.

Under the new bill, to which the hon. member has referred, it will be seen that we broaden the original jurisdiction of the Exchequer Court and continue the decentralization of that court. It will be made even more available to the people of Canada in its original field of jurisdiction concerning the application of federal laws as well as in its appellate jurisdiction. The hon. member will find that that court is as available to the practitioners of law and litigants as is any provincial court.

The hon. member also said that lawyers were not as familiar with the Procedures of the Exchequer Court of Canada as they might be with their divisional courts, their country courts or their provincial superior courts. That may be true. Because of the jurisdiction of that court covering expropriation matters, patent matters, actions against the Crown, admiralty matters and tax matters, a lawyer in general practice does not appear as often before it as he does before a county court or the superior court of his province. But every lawyer is in the same position, and the contra advantage is that the Exchequer Court has had many years experience in dealing with these complicated matters.

There is no way in which an expropriation case is going to be made less complicated by transferring jurisdiction to a provincial court, or allowing an option for a litigant to go before a provincial court. The difficulty in allowing such an option is that it is in the interests of the people of Canada that there be a consistent approach in the judgments rendered in expropriation cases. I do not think the people of Canada would consider it fair if in a similar factual situation an expropriated owner in Ontario were receiving a higher award than an expropriated owner was getting for similar property in some other part of Canada, regardless of the land values involved. I do not think litigants would think it fair if different interpretations of the bill were given by various courts across the country.

In order to achieve a uniform jurisprudence, and in order to treat the people of Canada equally in all parts of the country, it is the opinion of the government that a single court system should deal with expropriation cases. I can envisage a great amount of difficulty arising if concurrent jurisdiction were to be granted in this type of complicated litigation. I can envisage situations where people, on the advice of their lawyers, would be forced to go to a higher court in order to clarify the difference in judgments between one court in one part of the country and another court in another part of the country.

Suppose the Supreme Court of Alberta were to attach a certain principle to a factual situation, and suppose the Supreme Court of Saskatchewan were to arrive at a different principle on the same type of factual situation. In order to clarify that difference in interpretation counsel for an expropriated owner, or counsel for the Crown would be forced to go to the Courts of Appeal of those provinces, and probably to the Supreme Court of Canada in order to establish uniform case law. I suggested to the committee, and I suggest to this House now, that one of the principal reasons for a single court system is to avoid contradictory judgments in various jurisdictions across the country.

I could also imagine a situation where if one person who has an interest in a piece of property were to bring an action in the provincial court, and another person with an interest in the same piece of land were to bring an action in the Exchequer Court, each litigant exercising his option in the opposite way to the other, you would have two actions against the Crown, relating to the same piece of property, in concurrent jurisdictions. How would you reconcile that? How would you provide for the Attorney General of Canada joining all those persons involved in an expropriation case being heard in both jurisdictions? How would you define the monetary limits of jurisdiction in cases where there were several expropriated interests in one parcel. How would you define the monetary limits of the country court, or limit jurisdiction to the country court or the divisional court? How would you define the limit of jurisdiction, if it were to be given to Supreme Courts across the country. How would you provide for removal into the Exchequer Court where the monetary limit of those jurisdictions is exceeded?

• (4:10 p.m.)

Those remarks, Mr. Speaker, I respectfully submit show that in our view this type of litigation before a single court is in the best interests of people in Canada. It is in their best interests to have a single court determine this type of litigation which will give them a right against the Crown. This Bill provides that complicated evidence may be interpreted in a uniform way so that we may avoid different standards of justice in various parts of the country. I believe, as I said before, that the Exchequer Court has had many years of

experience in dealing with this type of complicated matter. The court has shown a strong inclination to adapt its rules to meet the needs of particular cases. It has modernized its rules and decentralized its hearings, both at the interlocutory and final stages of legal proceedings. It has brought the court closer to the people.

I want to introduce into the chamber for the attention of hon. members of the House a summary of some of the evidence presented by Mr. Jack Weir, former president of the Canadian Bar Association, who practises in Toronto and who was the chairman of a special committee set up by the Canadian Bar Association to look at this bill. Mr. Weir presented the committee report of the Canadian Bar Association and recommended some amendments to the bill before the committee. Some of those amendments were accepted; others rejected. In the afternoon of Mr. Weir's presentation the hon. member for Greenwood (Mr. Brewin) asked him for his views about the problem of concurrent jurisdiction. Mr. Weir showed no enthusiasm whatsoever for that and he emphasized a number of points which may be seen if one peruses the evidence given before the committee. He said that the Exchequer Court rules have been and are being radically revised, and that there no longer appears to be a problem with regard to expert evidence. He said that the court has shown an increasing willingness to move around the country and to make itself available to the people of Canada and the legal profession of this country.

He said costs were not a real problem and he went through some of the arguments I have attempted to submit to Your Honour. He observed that the main objection to the Exchequer Court stemmed from the reluctance of some members of the bar to go before that court because some lawyers are not as familiar with it perhaps as they are with some other courts. In any event, these are the arguments that were presented by the government at the committee stage. The committee accepted these arguments and rejected the amendment brought forward at the committee stage by the hon. member for Calgary North. I urge the House to do the same.

Mr. D. Gordon Blair (Grenville-Carleton): Mr. Speaker, I propose to speak only briefly on this question. The amendment moved by the hon. member for Calgary North (Mr. Woolliams) is important because it expresses not only his views but views which are held by members of the bar elsewhere in Canada and, I think, especially in western Canada. The problem which faces a person who is expropriated is very definitely one of expense and of cost.

Mr. Woolliams: That is right.

Mr. Blair: I am sure that there are other hon. members of the House besides myself who have dealt with people who have been expropriated. It strikes the average citizen as most severe and most unfair for the biggest organization in the country, his government, to come to him and say, "We want your land. If you want to challenge our valuation, you must sue us." This has been the law for many, many years, and the man who wanted to challenge the expropriation, who wanted to challenge the valuation, up till now had been put to the necessity of going to great expense, which generally he could ill afford, in order to mount a case. I therefore think that when we talk about the expense of litigation we should think of that in terms of the average citizen and what he must spend. We are not really learning too much if we divert our attention from this idea because it does not matter whether he spend that money in one court or another.

To me, the most significant and important reform in this legislation is that contained in clauses 27 and 36 to which the minister referred. They really provide for the underwriting of the legal expenses of a person who wishes to challenge the basis upon which he is expropriated.

Mr. Turner (Ottawa-Carleton): That is right.

Mr. Blair: This is a tremendous advantage and one which I think will bring credit to this Parliament. If the bill passes, great credit will accrue to parliament. The citizen, under the provisions of clause 27, will now be able to mount a position against the Crown which is comparable to the position the Crown could assume against him. He may now retain a lawyer and he may retain experts sufficient to establish his point of view in negotiations with the Crown. If he is dissatisfied with the outcome of these negotiations, then he is in a position to challenge the valuation in legal proceedings and, if he wins, he will not only recover part of his legal expenses and other costs but he will be entitled to claim them all. I make these comments because I have been struck by the exaggerated emphasis placed by my hon. friend for Calgary North on the cost of proceeding in the Exchequer Court. In my

experience, the Exchequer Court is certainly a less expensive court in which to litigate than the Supreme Court of Ontario. Perhaps this view is personal to me and, as the minister said, we may get into difficulty when trying to generalize from our own personal experience.

The problem of legal expenses is a great one in Canada and we lawyers may be criticized, and I think justifiably, for not having paid sufficient attention to it. At any rate, we can deal with this bill with the knowledge that for the first time, so far as I am aware, a statute of the Parliament of Canada will place a citizen in a position where he may deal more or less as an equal with the Crown.

There is little that I can add to the comments made by the minister about some of the arguments raised by the hon. member for Calgary North. The costs of litigation are governed by two factors: by the value a lawyer may place upon his services and by the cost of producing exhibits and documents for presentation to a court. If a lawyer places a high value on his services and if he indulges in costly and elaborate case preparation, the risk is always run that in the event of success these costs may not be recoverable from the opposite party. This holds true whether the case is pleaded in the Exchequer Court or any other court in this country. According to my experience, and I think this is generally the experience of members of the bar of Canada, it costs no more to mount a case in the Exchequer Court and it is unfair to suggest that it does. The same type of preparation is entered into; the same types of basic steps are taken procedurally and otherwise and the formalities of litigation there are little different from those of other courts. I wish to again emphasize that the over-all cost of litigation depends upon how elaborate the cases are which are prepared and the costs of legal fees. These operate independently regardless of in what sort of court the cases are conducted.

• (4:20 p.m.)

One suggestion made by the hon. member I think bears comment. He pointed to the expense of appeals to the Supreme Court of Canada. His argument seemed to suggest that it would be more costly to appeal to the Supreme Court of Canada against a decision of the Exchequer Court than to a Provincial Appeal Court. This manifestly is not the case. Regardless from what tribunal an appeal is taken to the Supreme Court, the costs of that court for preparation and other procedures are uniform.

I have made these rather extended comments about the Exchequer Court, Mr. Speaker, because I have had experience in that and other courts. I do not think any impression should be left on the record that it is a more expensive tribunal than other courts in this country. As I suggested earlier, the opposite is felt by many experienced members of the bar.

There are difficulties in taking technical cases to any court in Canada. One should recognize the fact that the law of expropriation has now become a very specialized branch of legal practice and legal knowledge. It is certainly not within the capacity of every lawyer to deal with the complicated issues involved in expropriation. I am fortified by the provisions made in this statute for the provision of legal aid in the belief that ordinary citizens will now seek the best counsel and best advice in these cases.

I wish to make two brief comments about issues which have been raised by my hon. friend. Although I jogged him a little bit by my interruptions, I think the points he made are serious and have been seriously considered by the committee. There is always the problem among members of our profession of approaching a strange tribunal. There is also the problem of adapting one's ideas to the rules of that tribunal with which we may not be familiar. I have felt that the Exchequer Court, perhaps because of its extraordinary name, has seemed to be somewhat remote, not only from the average citizen but the average lawyer of this country.

In recent years the Exchequer Court has gone to extraordinary lengths in an attempt to make itself physically accessible to the different parts of Canada. I hope the authorities of that court will take some cognizance of the comments which have been made by the hon. member for Calgary North as to differences in procedure which, although they may appear minute, do cause complications and difficulties for practising members of the legal profession. I might add for the benefit of the hon. member for Calgary North, as the minister said recently, there have been very drastic changes made in the procedure of the Exchequer Court. I have heard lawyers of long experience in that court express concern at the way in which the rules have been streamlined and the way in which procedures have been expedited.

It appears to me that the argument is unanswerable that it is in the national interest to have one court dealing with this complicated question of expropriation by the federal government; to have that one court establish a common jurisprudence and common principles which will apply across the country and to have that one court make its expertise and experience available to citizens in every part of Canada.

In addition there are procedural complications which will arise if the jurisdiction is divided because parties affected by the same expropriation could then conceivably enter proceedings in different courts with great expense to everyone concerned. I look forward to the day when the federal courts of this country will be present in every part of the country. I think it is important from many standpoints that we should expand the physical presence of the federal courts, having regard to the important matters with which they deal such as expropriation, patents and trade marks, taxation, suits against the Crown and many other items of great importance to the public.

I look forward to the introduction of legislation such as has been commented upon by the minister which will take our federal courts more to the people and make them more important in the life of Canadians. In view of these comments, Mr. Speaker, I submit to this House that it is desirable to reject the amendment proposed by the hon. member for Calgary North.

Mr. Deputy Speaker: Is the House ready for the question? Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Deputy Speaker: All those in favour will please say yea.

Some hon. Members: Yea.

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

Some hon. Members: Nay.

Mr. Deputy Speaker: In my view the nays have it.

And more than five members having risen:

Mr. Deputy Speaker: Pursuant to Standing Order 75(11) the recorded division on the proposed motion stands deferred. Pursuant to agreement made earlier this day, I now propose to put motions 2 and 3. They will be debated together.

Mr. Knowles (Winnipeg North Centre) (for Mr. Brewin) moved:

(2) That Bill C-136, respecting the expropriation of land be amended by striking out of clause 8(1) all the words after "public hearing" in line 37 of the bill and substituting the following:

"to ascertain, having regard to the objection or any other objection to the intended expropriation that has been served on him, whether the interest proposed to be expropriated is reasonably required for the achievement of the objectives of the Crown".

and

(3) That Bill C-136, respecting the expropriation of land be amended by the deletion in clause 8(2), lines 42 and 43, of the words:

"with respect to an objection or objections".

He said: Mr. Speaker, when one is about to go beyond his depth, it is a good idea to admit it at the start. It so happens that my colleague, the hon. member for Greenwood (Mr. Brewin) had a prior engagement in the west today. He is, therefore, not able to be here to present this proposed amendment. My training in the law has all been obtained right in this place, Mr. Speaker, so I am getting into something with which I am not particularly familiar.

• (4:30 p.m.)

Nevertheless, Mr. Speaker, I believe I see the point of the amendment of which notice was given by my hon. friend from Greenwood and I do think it is one which should be made. I understand the amendment was moved in the standing committee and that it was supported there by a number of individuals across party lines.

To explain the proposals as clearly and succinctly as I can, perhaps I might be permitted to read clause 8 (1) as it stands and then to read it as it would appear if the amendment were adopted. Clause 8 (1) as it stands reads as follows:

Forthwith after the expiration of the period of thirty days referred to in section 7, the Minister shall, if he has been served with an objection under that section, order that a public hearing be conducted with respect to the objection and any other objection to the intended expropriation that has been or may be served on him.

The proposed amendment would alter the last few lines, so the subclause would read:

Forthwith after the expiration of the period of thirty days referred to in section 7, the Minister shall, if he has been served with an objection under that section, order a public hearing to ascertain, having regard to the objection or any

other objection to the intended expropriation which has been served on him, whether the interest proposed to be expropriated is reasonably required for the achievement of the objectives of the Crown.

As I understand it, what we are seeking by this amendment is an arrangement under which the Crown would be called on to appear at such a hearing and, in effect, show cause for a proposed expropriation. The feeling of those who support the amendment is that though the clause as it stands provides for a public hearing, it does not place the two parties on an equal plane. A public hearing is held, all right, provided a notice has been filed with the minister in accordance with clause 7, but at this public hearing it is not really necessary under the wording as it now stands for the Crown to appear. In other words, the person whose land is being expropriated is able to make his case and give reasons why the expropriation order should not go through, but the Crown for its part is not required to appear and make it clear that a particular parcel of land is really required in the public interest, or in order that the government might achieve the objective it has set out. My hon. friend feels, and I agree with him, that if we are changing the law with regard to expropriation, the Crown should be required to appear at a public hearing of this sort.

It seems to me that what is proposed is eminently fair. If this amendment is not adopted, the person whose land is to be expropriated is not on the same footing as the authority which is trying to expropriate his land. The motion I am putting forward in the name of the hon. member for Greenwood would correct this situation.

I might point out that amendment No. 3, which Your Honour has already read, together with amendments Nos. 4, 5 and 6, is consequential. Once we have decided on amendment No. 2, the others fall into place. If we pass amendment No. 2, it is obvious we shall want to pass the other amendments because they are consequential. If the House does not see fit to accept the amendment before us, I see little point in even moving the other amendments. The proposal we are now considering would put the Crown in the position of having to give reasons before a public hearing in support of proceeding with an expropriation and I feel it ought to receive the support of the House. As I say, I understand there were members in all parties who supported this proposition in the committee. I do not know what the vote was, but I am told there was support from all sides. I hope that since then, consideration having been given to this matter by the government, a favourable decision has been reached.

We are all impressed by the fact that new law is being written in this field. We give credit to the government for the initiative it has shown. We suggest, however, that the government go all the way and that in these public hearings the Crown should be on the same footing as the person whose property is being expropriated. This is the purpose of the amendment presented by my hon. friend from Greenwood, as I understand it, and I wage that it be adopted.

Mr. Turner (Ottawa Carleton): First of all, I want to congratulate the hon. member for Winnipeg North Centre (Mr. Knowles). He is not a member of the committee; he is filling in for his hon. friend from Greenwood who is a member, at very short notice, I am sure. He has admirably explained the purpose of the amendment to the House.

Mr. Knowles (Winnipeg North Centre): That is the advantage of not having been a lawyer.

Mr. Turner (Ottawa-Carleton): He says that is the advantage of not being a lawyer. But I believe he has been in the House for so many years that some of the legal talent available in the chamber has rubbed off on him.

The purpose of the amendment and, indeed, of amendments Nos. 2 to 6, because, as the hon. member noted, they stand together, is that the Minister of Public Works should be represented at the hearings in support of proposed expropriations, and that the hearing officer should form an opinion on the merits.

With respect to the hon. member for Winnipeg North Centre, I suggest he is confused as to the purpose of the public hearing. The concept of a hearing in connection with expropriation legislation is new. The purpose is to allow those who have an interest in the expropriated property to make their objections heard in public. In addition to owners, planning boards, municipalities or regional governments might wish to object. The hearing officer would listen to those objections and make a report to the Minister of Public Works. The hearing is not a judicial inquiry; it is not an adversary procedure pitting the minister against the expropriated owners or others interested. The purpose of the hearing is to bring to the public's attention the objections and the reasons for those objections. The purpose is not to force the Minister of Public Works, on behalf of the people of

Canada, to a trial of necessity. The Minister of Public Works will be responsible for the expropriation to his colleagues and to the Parliament of this country, and that is a responsibility he will have to accept. His responsibility will be a political one, not a judicial one, because the decision to expropriate is, in the first instance, an administrative decision for which he bears political responsibility here.

• (4:40 p.m.)

The purpose of the hearing is to allow citizens an opportunity to be heard so that the minister may, if he considers it reasonable and in the interests of the public, reconsider his decision to expropriate the property in question, or part of the property, or to expropriate the property under a different time frame. He can reject the objections. He can reject the report of the hearing officer. In doing so he would, of course, be responsible to defend his ultimate decision before Parliament, and thus before the people of Canada.

I submit to Your Honour that amendments Nos. 2 to 6 proposed by the hon. member for Greenwood attempt to convert the public hearing into a judicial proceeding, which it was not meant to be. It is meant to be an opportunity for interested people, whether or not they have an actual interest in the land in question, to make their objections heard.

I want to put on record a communication that I made to Mr. Jack Weir, who was the chairman of an ad hoc committee of the Canadian Bar Association which made a submission to the Standing Committee on Justice and Legal Affairs that tended to support the idea of converting the hearing into a judicial inquiry rather than an opportunity to present objections. This communication was sent to him in the form of a letter on December 17, 1969 and reads in part as follows:

> Whatever considerations may apply in the case of expropriation by statutory bodies, it is my firm view that in the case of the Crown in right of Canada the decisions as to whether any land is required for federal public purposes and as to what land is required for those purposes are political decisions and must be made by the responsible minister of the crown. The exercise of the minister's responsibility must not be fettered in any way by the publication of the opinion of any official as to the merits of the matter, or by the review of his decisions by any tribunal other than the House of Commons.
>
> For those reasons I cannot agree that the hearing officer should express any opinion upon the merits of the proposed expropriation, and I note that at page 1008 of the McRuer report it is said that: "Since the officer is not to have a decisional role in the procedure, it is with some reluctance that we recommend that he express an opinion on the merits".

[Mr. Turner (Ottawa-Carleton).]

I continue in my letter to Mr. Weir:

> I am not satisfied that the reasons given in the report for overcoming the reluctance to make that recommendation outweigh the reasons to the contrary which apply in the case of expropriation by the crown in right of Canada.

I might say that in his report Chief Justice McRuer dealt with expropriation procedure in right of the crown for the province of Ontario, and a good deal of his observations related to the power to expropriate now in the hands of regional, municipal and statutory bodies, other than the province itself.

After due consideration the committee rejected the amendments moved by the hon. member for Greenwood, and again I would urge the House to follow the decision of the committee and reject the amendments now before the House.

Mr. Deputy Speaker: Is it the pleasure of the House to adopt the said motions? All those in favour will please say yea.

Some hon. Members: Yea.

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

Some hon. Members: Nay.

Mr. Deputy Speaker: In my view the nays have it.

And more than five members having risen:

Mr. Deputy Speaker: Pursuant to section 11 of Standing Order 75, a recorded division on the proposed motions stands deferred.

Consistent with the remarks of the hon. member for Winnipeg North Centre, I might suggest to the House that discussion on Motions 4, 5, and 6 be deferred until a decision has been taken on Motions 2 and 3.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I am very happy to agree to that suggestion. We can wait and see the outcome of the vote on Motions 2 and 3. If the vote is favourable, I will then move motions 4, 5 and 6. If the vote is unfavourable on motions 2 and 3, then obviously there would be no point in moving motions 4, 5 and 6. I just want to protect the right to move motions 4, 5 and 6 if we are fortunate enough to get a favourable decision later this day.

Mr. Deputy Speaker: I think that is understood. Agreed.

Mr. Turner (Ottawa Carleton) moved:

> That Bill C-136, an act respecting the expropriation of land be amended by striking out line 21 on page 13 and substituting the following:
>
> "interest, and a copy of the appraisal shall".

He said: Mr. Speaker, this is the first time that I have ever failed to accept a committee's decision at the report stage. With other bills for which I have been responsible, such as the Official Languages bill and the omnibus Criminal Code amendments, even where the decision went against me, I accepted the decision. However, in this case there were some rather peculiar circumstances, although I am making no reflection on anyone. There was a fast motion made and a fast vote taken. Before the minister or the committee had really realized what had happened the vote had been taken, and the committee refused to reopen the proceedings. Therefore, the only way I can have the matter properly tested is to bring it to the attention of the House as a whole.

Mr. Knowles (Winnipeg North Centre): Amendments are not faring very well today.

Mr. Turner (Ottawa-Carleton): The earlier amendments were given full and weighty consideration by the committee. This amendment was voted upon in rather a shotgun fashion before I had the opportunity to address myself to it—indeed, before the committee as a whole had thoroughly discussed it.

This subclause was amended in the Standing Committee on Justice and Legal Affairs. The purpose of the motion that I am making is to restore it to the form in which it appeared upon first reading of the bill. This subclause is an integral part of the legislative scheme incorporated in the bill.

Clause 14(1) imposes upon the minister an obligation to offer to pay each expropriated owner the full amount of the minister's estimate of the compensation payable to him without prejudice to the right of the owner to claim additional compensation. That offer is generally to be made within 90 days of the registration of the notice of confirmation. If it is not made within that period, the owner is entitled to additional interest under clause 33 (4).

If the offer made by the minister is less than the compensation adjudged to be payable, then the owner is entitled to interest at the basic rate on the difference, and in addition, if the offer is less than 90 per cent of the compensation adjudged to be payable, the owner gets interest at the rate of 5 per cent of the total compensation payable. That is provided by clause 33 (3).

On the other hand, if the minister's offer exceeds the compensation adjudged to be payable, the excess constitutes a debt due to the Crown by the owner. That is provided by clause 32. So it is clear that it is in the interest of owners that the offers made by the minister not exceed the compensation determined to be payable by the court, if the matter goes to court, because the excess would have to be paid back to the Crown and the Crown could sue for it. It is also in the interest of the Crown, and the people of Canada, that the offers be as close as possible to the compensation adjudged to be payable in order to avoid the payment of excessive interest by way of penalty.

• (4:50 p.m.)

In order for owners to decide whether to claim additional compensation in the Exchequer Court they should, of course, know the precise basis upon which the minister has calculated the offer, and clause 14(3), as it read before amendment in the committee, requires the minister to send, together with the offer, a copy of the written appraisal upon which the offer is based.

The committee saw fit to amend this provision by requiring the minister to send with the offer copies of all appraisals which he may then have. It is my view that the amendment will tend to frustrate the purposes of the bill. I think all members will appreciate that the appraisal of land is not an exact science, and appraisers frequently differ widely in their opinions as to the value of the same lot or parcel of land. It is obviously desirable, therefore, for the Crown to obtain more than one appraisal and to obtain them at as early a date as possible in order to facilitate advanced planning of public works and the making of prompt payment to expropriated owners.

It is in the interest of the Crown and the owner that the Crown obtain a variety of opinions. If only one appraisal were to be obtained it might be much too low, and an offer made on that basis could well deprive the expropriated owner of early payment of the full compensation to which he is entitled. In addition, it would subject the Crown to the payment of penalty interest. On the other hand, if there were only one appraisal it could conceivably be much too high, and an initial payment of compensation on that basis might result in the owner being subjected to legal proceeding by the crown to recover the difference between the compensation adjudged to be payable and the amount of the payment to him.

However, if more than one appraisal is obtained, the minister may well feel that one of them is substantially too high and he will not wish to make an offer on the basis of that appraisal. That would be not because he was not prepared to pay the owner the full value of his property, because it is in the Crown's interest that he come as close as possible to the true value in making his offer. The minister may genuinely believe that one of his appraisals prepared for him is erroneous, as they frequently are, and does not represent the true value of the property.

In such a case, obviously the minister would not want to disclose the erroneous appraisal to the expropriated owner, because while it may be in the minister's view erroneous, owners are not generally knowledgeable about such matters and they may feel they should be paid the amount of the highest appraisal. This would tend to make negotiations of a settlement next to impossible, and there would therefore be a reluctance on the part of the department to disclose any appraisal thought to be unreasonably high.

If the clause were not to be readjusted as it was, and if this amendment were not carried, it might well be that the Department of Public Works or other departments, because of the necessity to obtain as wide a range of opinion as possible and because of the difficulty of submitting only one report, would resort to subterfuge in obtaining oral appraisals. I do not believe this bill now before us should promote that sort of thing. The officials should be free to obtain proper appraisals and disclose only that appraisal which the minister regards as reflecting the true value of the premises, and upon which he is prepared to base his offer.

After all, the purpose of producing an appraisal is to allow the owner, the owner's appraisors and the owner's legal representatives to analyze the basis upon which the value is calculated, and for the minister to estimate the true value as calculated. If the clause stands as amended, the minister may obtain only one appraisal with all the attendant risks to both owners and the Crown resulting from offers based on erroneous appraisals. If the offer is too low, the Crown will have to pay a penalty. If the offer is too high, the owner will have to refund to the Crown that which is in excess of the offer made initially by the Crown. In any event, an offer too high or too low based on only one appraisal might well result in a failure of the negotiation procedure under the bill being as useful as it is intended to be.

[Mr. Turner (Ottawa-Carleton).]

In short, as amended by the committee, the provisions will not really work in the interest of either the owners or the Crown, and may tend to promote the use of devious means by administration of the bill. For these reasons I proposed the amendment which will restore the clause to its original form. I hope that upon sober reflection those members of the committee who beat us to the punch will duly consider their position.

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

Some hon. Members: Agreed.

Motion (Mr. Turner, Ottawa-Carleton) agreed to.

Mr. Knowles (Winnipeg North Centre): It is five o'clock, Mr. Speaker.

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTERS OF QUESTIONS TO BE DEBATED

Mr. Deputy Speaker: It is my duty, pursuant to Standing Order 40, to inform the House of the questions to be raised tonight at the time of adjournment which are as follows: The hon. member for St. John's East (Mr. McGrath)—Royal Canadian Mounted Police—complaints respecting harassment of Portuguese ships; the hon. member for Abitibi—construction of access road, the hon. member for York South (Mr. Lewis)—Immigration—Deportation of deserters from U.S. Armed forces.

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.

PRIVATE MEMBERS' NOTICES OF MOTIONS

UNITED NATIONS

SUGGESTED CANADIAN INITIATIVE TO AMEND CHARTER

Mr. Warren Allmand (Notre-Dame-de-Grâce) moved:

That, in the opinion of this House, the government should take initiatives for United Nations Charter reform to make that institution a more effective instrument for the prevention of military aggression, for the settlement of international dis-

putes, and to promote co-operation, peace and prosperity and in particular, to seek amendments to the Charter articles dealing with peacekeeping, the veto power, financing, membership and arms' control.

He said: Mr. Speaker, in this century the peoples of the world have suffered two horrible major wars. Since the end of the last World War there have been 48 major and minor wars. These wars have resulted in a horrible loss of life, great losses of property and the waste of large sums of money and resources. We have just finished a terrible civil war in Nigeria. After 30 months of fighting and killing, many people in the world might ask what has been accomplished? What do wars accomplish in settling disputes between peoples and nations?

Many people throughout the world, not just in Canada, ask what we can do about this, and what can individuals do about this. They ask if this waste and destruction is necessary in this age when we can travel to the moon, when we can transplant hearts and kidneys, when we can transmit information throughout the world by satellite and when we have computers than can calculate in a millionth of a second work that used to be done in hours. They ask why cannot man come up with a civilized way of preventing military aggression and doing away with wars as a means of settling international disputes.

In 1945 there was great hope for the world when the United Nations adopted the UN Charter. I think one of the greatest documents ever adopted by mankind is the preamble of that Charter which states:

We the peoples of the United Nations determined to save succeeding generations from the scourge of war, which twice in our lifetime has brought untold sorrow to mankind—

It goes on to say that they have come together to unite their strength to maintain international peace and security. Unfortunately, despite the good intentions of 1945, the UN Charter and the United Nations have not been able to guarantee to the world the security and peace it desires. This is not to say that the United Nations has been a failure. I think it has been of much value. Many people criticize it for being inadequate and want to do away with it altogether. I think that would be a real mistake. Had we not had the present United Nations, I believe perhaps we would have had more major wars since 1945. The very fact that these nations can come together to talk out their problems is an indication of some success. At least they are talking and not shooting and killing. I think this in itself is of value. But despite this, the security we hoped for back in 1945 has not been provided. I should also like to point out that much of the good work being done by the United Nations today is work which was not fully contemplated in 1945. About 80 per cent of the good work done by the United Nations is in the economic field and is carried out by the specialized agencies.

Despite this I say to this House, this government, this country and this world, that we must devise some system whereby we can minimize war and if possible do away with it as a means of settling disputes. I believe the United Nations Charter should be reformed. When the present charter was adopted in 1945 there were only 51 members of the United Nations. Now there are 126. In Chapter XVIII of the Charter, there are provisions for amending the Charter, but the provisions have not been used as fully as many people would like. In my resolution I propose reform of the United Nations under certain headings.

First of all, I refer to peacekeeping. Because that is one of the most complex areas, I will leave it to the end along with the heading arms control. Let me go on to the second matter which is the veto power. Under Article 27(3) of the United Nations Charter the Security Council cannot act unless it has the unanimous support of all five permanent members. As the world knows, the power to veto action at the United Nations by one of the big five has often frustrated the United Nations and the world in their efforts to take the necessary action.

I suggest, to begin with, that we amend the Charter to provide that the Security Council be increased from 15 members to 17 members; that we have 7 permanent members instead of 5 and that the two new permanent members be Japan and Brazil. Of course, I believe it goes without question that the real government of China must replace the present government of China; that is, the Republic of China represented by the government in Peking must replace the present government which is represented at the United Nations if we are to have a truly representative Security Council. I suggest a Security Council with 17 members and 7 permanent members, including the real government of China, Japan and Brazil. I suggest also that the single veto power be taken away and replaced by a veto power of five permanent members. I feel that a veto power of five permanent members would give a much more representative value to the actions of the Security Council because if you do have five

permanent members objecting to some action this would mean that you really have five of the most powerful and populous nations in the world objecting and that, therefore, you would not succeed in any event.

The next point I should like to refer to is in respect of the financing of the United Nations. Article 17 of the Charter provides for financing. At the present time the United Nations is financed through assessments against the member states plus other smaller sources such as the sale of United Nations stamps at New York and Geneva. This, however, is wholly inadequate. I think the amount of money that is spent on the United Nations is ridiculous in comparison with the amount spent on armaments. I suggest that in addition to increasing the amount of the assessments the United Nations, under its Charter, should have the power to collect licence fees for such things as exploitation of the seabed, the use of outer space by satellites, other missiles and so on. These international areas should be subject to the jurisdiction of the United Nations. The United Nations should have the right to collect revenue for the use of these areas in order to support its work. I would also think that if nations refuse to pay their contributions to the UN for the purpose of furthering its powers their voting right should be suspended. There has been much discussion concerning what should be done about those nations which do not pay their contributions.

Next, I should like to refer to membership. Membership comes under Chapter II, Article 3. I believe one of the main drawbacks in this article is that it does not provide for the very small or divided state. I think there should be provision in the Charter for the divided states. I believe there should be some type of associate membership so that Germany, Korea, Viet Nam and other states which have been divided could be included. They would not be given the rights and responsibilities of full membership, but I think it is important that they be given an opportunity to participate in the United Nations at least as associate members. There should also be provision for very small states, the micro-states. The Maldive Islands is a state with 30,000 people. There are other independent states in the Caribbean which I believe have populations of fewer than 30,000 people. There should be some way in which such states could participate without being full members and without having full responsibilities because they would not be in a position to bear these responsibilities.

[Mr. Allmand.]

• (5.10 p.m.)

Next, I wish to refer to the matter of peacekeeping and arms control. Chapter VII of the United Nations Charter provides for peace keeping. However, some of the most important aspects of our peace keeping activity have not been carried out under that chapter. They have taken place under the various "uniting for Peace" resolutions of the General Assembly which came into existence after the outbreak of the Korean war. It is generally agreed that our peacekeeping operations,—and this has been agreed especially after the 1967 war in the Middle East—should be strengthened and even brought beyond the strength which it originally had when UNEF was first set up. I suggest that amendments should be made to the United Nations Charter to establish a permanent core group for the UN peace forces. This core group would be under the direction of the Secretary General of the UN and a special peacekeeping section of the secretariat. It would be recruited from people throughout the world. It would be paid directly by and be responsible to the United Nations, in the way that all the other staff of the UN is recruited. After all, the UN secretariat has quite a large staff, both in New York and Geneva, which is recruited from peoples of the world. I suggest that the core group of the UN peacekeeping force should be recruited and paid in the same way.

In addition, this group would deal with the administration of the peace force, communications operations, logistics, police duty, and other services which must be at readiness in case of an emergency. The national forces which are committed to peacekeeping should be earmarked by the nations of the world in a much more firm way than they are now. I discovered at a meeting of the subcommittee of the Committee on External Affairs of this House that a unit of our national forces is earmarked for the United Nations but that this commitment is not as firm as our commitment to NATO, for example. I feel that it should definitely be as firm.

With regard to arms control, if we can develop a strong peacekeeping force, then the general disarmament which the United Nations has been trying to bring about would be much easier to achieve. I think that we will have a general and phased disarmament if we are able to increase the power of the peacekeeping force.

There are many areas in the United Nations Charter to which I could suggest amendments, but I pointed out only five. I would like to point out that 1970 is the year of the 25th anniversary of the UN Charter. It will be celebrated this year on October 24. I think that we can really mark this 25th birthday in a meaningful way by taking some measures to strengthen that organization and by doing something to secure peace in the world. I think that we should celebrate this birthday in a meaningful way, not just with a mere ceremony.

Some people say that we can do many of the things I suggested without reforming the UN Charter. It may be that some of my suggestions can be implemented without such charter reforms, but I think we need the emphasis and the certainty of the direction in which the United Nations should go by charter reform.

Others may say in objection to my suggestions that these things cannot be done right away, that there is too much disagreement at the United Nations. To that I would say that it is up to the Canadian government to state its objective clearly, even though they are long range objectives, with the understanding that we may not get everything at once. But let us at least work toward these long range objectives.

Finally, some people might say that it might be wrong to give the United Nations more power to amend its charter. They state that by giving up some of our sovereignty, by putting some of our trust in an international body which could be dominated by other nations, we might be losing control of the right to determine our own destiny. To that I would say that with the present system we have not been able to guarantee our security.

In this century we have had two major wars, and since 1948 we have had major and minor conflicts. Certainly, there will be a risk involved in handing over more power to the United Nations, but I think the risk is minor as compared to the risk of another major war occurring under the present system. It is certain that risks are involved and that we might be taking a chance, but I say, let us take those risks because if we do not, we are in for even greater trouble.

Some people might say that these suggestions are too idealistic, that to think of a United Nations as it was created in 1945 is too idealistic and does not take into account the realities of the world situation. I say that if we feel we can maintain peace with the type of world structure that we have and the United Nations has, then we are being idealistic and not realistic. If we think we can really do something about international conflicts with the system of sovereign states that we have now, and the type of United Nations we have now, then we are being unrealistic. The only realistic proposal is to make the United Nations strong enough to maintain peace and prevent aggression.

Mr. David MacDonald (Egmont): I am very glad that the hon. member for Notre-Dame-de-Grâce (Mr. Allmand) has put this private members' notice of motion on the order paper because I can think of no subject of more importance to the survival, not only of the United Nations and its possible contribution to world peace, but of the world itself when we come face to face with the realities of the international situation.

I think quite frankly that one of the problems we face in trying to come to grips with the situation which exists in the international sphere is to really ascertain what the facts are. I think it would not be an overstatement of the present international situation to describe it as one of almost total anarchy. Certainly, that is true when it comes to the co-operation of nations with nations. Those who speak glibly about international law, when it comes to the movement of powers and great powers, are speaking about something that really does not exist. They are speaking about those occasional agreements that arise when they are in the best interests of those who are party to them.

When one considers the facts as indicated by the hon. member for Notre-Dame-de-Grâce, the number of wars that not only have occurred since the end of world war II but are occurring even now, the degree to which nations seem incapable of solving some of the great human tragedies of our time, whether they be in Nigeria, Congo, Viet Nam, the Middle East or wherever, one realizes that we have little power at present at the United Nations to deal with these pressing human problems. Yet, one of the strange paradoxes of our times is that we can see a number of areas, internationally speaking, where there has been considerable agreement. We take it for granted when someone wishes to post a letter—provided it goes beyond the borders of this country, and that is where the question is, perhaps, these days—that it will normally arrive at its destination because we established some years ago now the International Postal Union which ensures the transport of

mail to almost every corner of the world. We take it for granted as well, when airlines set up schedules that move planes all over this world, that there is agreement as to the nature of landing facilities and landing procedures which are ultimately important to bring planes safely round the world day after day. International agreements, through agencies of the United Nations, have established a sensible program of international airline co-operation.

• (5.20 p.m.)

The same facts could be repeated again and again in relation to a number of spheres. The sphere that may be of most importance for the future resolution of the problem enunciated in this notice of motion concerns the degree to which business has become internationalized. Business and the expansion of trade usually precede, in most cases, the political arrangements that men devise. In my opinion, if we are looking for some sign of hope toward the regularization of a form of law and order in the international community, it may come because of the very rapid development of the multinational or international corporation, and from the fact that those who trade and manufacture see little purpose to the confinement and restrictions that national boundaries have in past times created.

It is true that we are at the 25th anniversary of the United Nations, and I will not repeat the excellent elaboration that was given by the mover of the motion on the establishment of the Charter in 1945. Now, the desire seems to be that we should attempt to set right many of the weaknesses that have become more and more apparent during the 25 year operation of the United Nations. I think, quite frankly, that we will have to look squarely at the basic problems if we are to do that.

I am in total support of the proposals that the hon. member has advanced this afternoon, and I hope they will receive full consideration in the appropriate parliamentary committee. Perhaps the fact that the Parliamentary Secretary to the Secretary of State for External Affairs (Mr. Goyer) seconded the motion is an indication that this matter will be referred, at the conclusion of this afternoon's discussion, to the External Affairs Committee for much greater consideration than we are able to give it this afternoon. But my own fear, and it is an overriding fear, is that the motion does not go far enough.

[Mr. MacDonald (Egmont).]

My overriding fear is that even if it were possible for the motion to pass, and for the government to act on all points raised in the motion, and—this would be the most remarkable of all—if it were possible for all these matters to be taken up and acted upon by the 131 members of the United Nations, even then we would find that the basic problem had not yet been dealt with. I refer to the question of jurisdiction. Quite frankly, it is the question of national sovereignty.

There are certain questions that each age has as its sacred cow, and it has been my experience, particularly in the last year or so, that no sacred cow looms larger for people in this country, and in most western countries, than that of national sovereignty. It is the sacred cow which we have willingly worshipped for many years—

Mr. Bigg: For centuries.

Mr. MacDonald (Egmont): For centuries, as my colleague reminds me. Over the years, nations have imbued this question with an aura that has elevated it to the status of being a sacred cow. The sacred cow is now so inviolable that we willingly offer up human lives and human possessions in order to continue to pay service to it. If anyone needs the latest example of this kind of worship one has only to think of the ways in which nations willingly looked the other way when the people of Nigeria were caught up in a dreadful civil war that almost split their country asunder. These other nations, for some 30 months, could say self-righteously, "It is not our affair because we would never seek to question what goes on beyond the sovereign boundaries of another nation!" I wonder just how long we can carry on with that level of hypocrisy and human cynicism which says that our allegiance to a concept such as national sovereignty is more important than the lives of millions of people, men women and children. The young people of our society and our country no longer think that answer is good enough. They have demonstrated that by taking to the streets. I think, too, we will find that more and more people in the adult generation will say that answer is not good enough. They are asking for possible alternatives to be elaborated by our leaders and statesmen.

The alternative that has been painted until recently by a very small group of people is that we should consider some form of world federalism in which there would be a granting of powers by the nation states to a larger

world body. On a theoretical basis this looks attractive and sensible, and for those of us who live within a national federal system it seems eminently workable. But I think people have not examined the alternative closely enough to realize where the danger still lies. For me, the danger lies in the fact that we will still have nation states, presumably of their own free will granting and contributing certain powers to this international body. Such a world body would obviously be better than the present United Nations, but it would still have the weakness of regarding the nations as somehow exercising an ultimate sovereignty of their own.

I think we can never get away from a concept of sovereignty. Sovereignty exists because it relates to power and it relates to people. That is where I think we should start looking for our answer, by putting the power back in the hands of the people. I think if we are going to get beyond the present impasse, and I think it is important that we do—it is fundamental for the survival of this civilization—we will have to begin to be more creative about devising another kind of political framework through which people can invest and direct their power into an international forum, not just through national governments but directly in their own right.

If you wish, I would use the example of the Canadian federation. We meet here as members of a federal Parliament exercising jurisdiction on a number of questions of importance to the nation, not because ten provinces and two territories have created this Parliament and sent us here as individuals but because 21 million or 22 million people who call themselves Canadians in regular elections send their representatives to this forum to transact business on their behalf.

This is perhaps a kind of federalism which on a world plane might indeed get us beyond the impasse which we presently face. It is an impasse in three basic areas. It is an impasse in terms of jurisdiction, and jurisdiction I think will continue to hound us as long as there is in fact no consensus on the degree to which this body may act independently. The body's functioning will be further limited by the fact that its financing depends on the capricious behavior and interests of the nation states. We have seen and learned only too well how limited and how hamstrung this organization can be when its financing depends on that kind of response. Thirdly, the responsibility of this body can be exercised only as freely as the individual nation states, and particularly the most powerful ones, are willing to allow it to act.

I suppose that if the hon. member for Notre-Dame-de-Grâce has been considered an idealist, my suggestions will be considered to be those of a wild-eyed idealist. But, Mr. Speaker, I think the time has come for us to realize that unless we are willing to attack the root of the problem, the difficulties of establishing some form of international law and order, we are merely turning up the control on a pressure cooker that, when it finally explodes, will hurt everyone. It is clear that the pressure has been great enough over the past 25 years to hurt millions of people. They are being hurt at this moment.

• (5.30 p.m.)

It seems to me that Canada, one of the few countries that has been able to work effectively and successfully with the federal form of government, could make an unparallelled contribution in this field. We have a Prime Minister (Mr. Trudeau) who claims to believe that the federal form of government is the form of government that ought to work best for an international community. I commend the hon. member for introducing this proposal relating to the reform of the charter of the United Nations. I say that this is just a threshold, an opening of the door for major change. This proposal would enable us to establish a form of government that is responsible to people and that would ensure the kind of peace, good government and security that the peoples of this modern world so desperately need.

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, may I at the outset commend the hon. member for Notre-Dame-de-Grâce (Mr. Allmand) for introducing this private members' notice of motion asking the government to take the initiative in strengthening the charter of the United Nations so that it may become a more effective international organization than it is today.

I hope the House will refer this notice of motion to the Standing Committee on External Affairs and National Defence so that it may be dealt with in an appropriate fashion. I also hope the subject matter of the notice of motion will come before the House in the form of legislation in the near future.

Like the hon. member for Egmont (Mr. MacDonald), I cannot help stressing the importance of the issue before us. I often

wish hon. members of the House would consider this matter as one of top priority and would begin to show much more concern about where the world is going as a community and what will happen to us all in the next 15 or 20 years. The hon. member for Egmont has said some of the things I wanted to say about our reasons for creating a world organization with real power and a great deal of sovereignty.

As automation and technology develop, we are transformed increasingly into a global village. Today national boundaries are not as important as they were five or ten years ago. When you consider economic transactions, modern communications, travel and the many things that people all over the world have in common, you realize that the world is becoming smaller. That is one reason for our establishing a world community which will have more power than the UN has at present, and some measure of sovereignty. We see many tragedies in the world: this is an additional reason for strengthening the United Nations charter and moving in the direction of giving the UN more power.

Today the world lives under the balance of terror. The other day President Nixon announced that additional billions of dollars are to be allocated for the development of Safeguard Anti-ballistic missiles. This, in turn, will encourage the U.S.S.R. and other countries to spend more money on the development of weapons. Thus, stockpiles of weapons keep escalating; the proliferation of nuclear weapons is encouraged, and ultimately, acts of aggression are encouraged. We have seen examples of international violence. War is going on in Viet Nam and in the Sudan. A war has just finished in Nigeria. War is raging in the Middle East. One year ago last fall we witnessed the tragic invasion of Czechoslovakia. Since all indications are that the foreign policies of the United States, the Soviet Union and other countries will continue as at present, there is a clear indication that troubles of this kind will become more frequent.

These are not the only reasons for strengthening the United Nations and moving toward a world organization that has more power than at present. In the world we see many problems. There are problems of pollution, which must be dealt with on an international basis—water, air and foods are polluted. As a matter of fact, about an hour ago I read a newspaper article saying that in the opinion of a zoologist human beings may not have more than 20 or 25 years to live on this planet unless they eliminate their pollution. We are polluting our atmosphere, our soil and our rivers. These are all matters which pay no attention to international boundaries. Clearly, in matters of pollution international boundaries are not important.

We must also begin thinking of a strengthened international organization for other reasons. We are witnessing the problem of the population explosion. One sees, especially in the developing countries, that overpopulation is a real threat; we have a problem in feeding people who are coming into our world. We also have poverty on a tremendous international scale. Two-thirds of the world's people are either starving or living in abject poverty. These people will become desperate, and when they do we shall have no guarantee of peace in the world. When a man is hungry he thinks of revolution, and when many people manifest similar sentiments in a nation you have no guarantee of peace or security anywhere in the world.

I have cited some reasons to support my contention that the world community should be strengthened. But, Mr. Speaker, we must also start looking at solutions of the many problems facing us in the world. As has been said in the House, our society has placed men on the moon and transplanted hearts; doctors are now talking about transplanting brains. I wish we could do as good a job in reforming our society and solving some of the economic problems facing us in Canada and the peoples of the world.

As I said, we must begin as soon as possible to build a world organization which will have some power and sovereignty. There must be a world federation of some kind. No one can stand here and spell out in detail what kind of world federation ought to be introduced in the future, but we must all begin by trying to give the world organization power—power to limit the arms race. The world organization must have more power for peace keeping and for peaceful intervention in the many wars now going on, we must show that the international community is truly concerned. The international community must have more power to tackle problems of poverty and pollution which transgress national boundaries.

Many might say, "But how is this to be done?" I would be the first to admit that we are not talking about a simple proposition. We are talking about a new order in the world community—and it must be introduced. Canada is a highly respected middle power

and can do much to gather support for this idea. We must avoid in future repeating what we all did or did not do in the Nigeria-Biafra incident. The international community did not want to become involved in the conflict because of the sacred cow of sovereignty to which the hon. member for Egmont referred. The international community thought, "This has nothing to do with us" even though it witnessed a world tragedy on an enormous scale. That showed the weakness of the UN and why we must reform it as quickly as possible. I submit that Canada as a well-respected nation can lead the way toward a more viable and powerful world community.

If we are to achieve this objective, as a first step I suggest we abandon the arms race and opt out of regional military pacts such as NATO and NORAD. We should pursue an independent foreign policy so that Canada may wield more influence among the nations of the world, particularly among the third world, with a view to establishing a responsible world community. Also, I submit we ought to recognize mainland China as soon as possible and make sure that country is seated on the Security Council of the United Nations. How can one begin talking about a world community when the country containing a quarter of the world's population remains outside the world organization? It is foolish to think about a world organization which does not have mainland China among its membership as well as every other country which is not in the United Nations.

• (5:40 p.m.)

This will take time. As long as we keep hesitating and procrastinating, nothing will be done. If we keep hedging, the United Nations will gradually become weaker and weaker until, like the League of Nations, it will become completely ineffective and will disappear. This will not happen quickly. If we look at history we will see that it took a long time for the nation state to evolve and develop into what we have today. If we go back, we will see that at the beginning there were tribal units. These gradually formed city states and kingdoms. It took a long time before the nation state evolved out of kingdoms. Today we must move into a new era with an international organization or some type of world federation.

I wish to once again state why we should refer this motion to the committee. Hopefully, the committee will carry out some constructive work on this resolution, and as much of it as possible should be included in legislation. I wish the hon. member for Notre-Dame-de-Grâce, who put this motion on the Order Paper, had talked this way when a number of us were trying to get certain aspects of the Nigerian problem discussed at the United Nations. This was one problem we all faced. I was disappointed that some members, particularly the hon. member for Notre-Dame-de-Grâce, did not support our action in trying to get part of the Nigerian problem discussed at the United Nations. If my information is correct, the hon. member for Notre-Dame-de-Grâce is chairman of the Liberal Party caucus on external affairs and defence. I wish him well in trying to sell these ideas to some of his colleagues. If my experience in this House has taught me anything, he will need a bit of luck.

Canada is respected all over the world. I think most people agree, including the hon. member for Burnaby-Seymour (Mr. Perrault) who spent some time at the United Nations, that we are respected more than any other country, certainly more than the United States, the Soviet Union or any of the major powers. Because of this we can lead the way in many matters. This is only one of the fields in which we must lead the way in the near future. I think it is vital to the very existence, not only of Canada and our society but of the world community.

Mr. F. J. Bigg (Pembina): Mr. Speaker, I wish to join other members of the House in congratulating the member for Notre-Dame-de-Grâce (Mr. Allmand) for introducing this motion. It is to his credit that it is a private member's motion. I do not think it should be ignored on that account. It is a very important motion.

The United Nations was an experiment in world federalism. No matter what it is called, it is a re-birth of the League of Nations. Unfortunately, in 1945 we repeated the same error we made in the League of Nations. I say "we" because Canada was one of the originators of the idea of the United Nations. Having written nine-tenths of the charter in very acceptable form, we left out a very important power—the power to enforce peace.

Several members have pointed out that the human being is a very noble creature. He is willing to organize himself, sacrifice himself and he will listen to any amount of propaganda, some of which is acceptable depending from what source it is heard. He may herd millions of people to their death. It is very difficult to get a small percentage of people

willing to enforce peace. Enforcing peace seems incompatible, but I do not think it is necessarily incompatible; it has the same source and interest.

We must have power. Power can be used for good as well as for evil. The human family has the very bad habit of organizing itself behind its weapons, getting excited and even noble about the wrong causes. A great many people feel it is impossible to edge forward in the opposite direction. I am not one of those people who believe it is impossible, but I do think it is difficult.

When I was a lad I was by a dock in Vancouver when I saw two diminutive Japanese sailors doing something that I thought was extremely foolish. They each had a pole in their hand and they were pushing the *Empress of Japan*, an 18,000-ton ship. I was a prairie boy and I did not know much about the sea. I still do not know too much about it. I was impressed by the fact that these two young men were wasting their time. They were pushing the *Empress of Japan* with two poles not more than three inches in diameter.

I did not have anything else to do in those days, so I sat and watched. After a few minutes the *Empress of Japan* moved out from the dock. It is true that it moved slowly, but with the persistent efforts of two diminutive Asiatics the *Empress of Japan* moved out from the dock. The other gentlemen on the deck threw down some rope objects shaped like large doughnuts, which were put between the ship and the dock. Damage to the *Empress of Japan* was prevented by two small men who persisted and performed what to me looked like an impossible task.

The hon. member for Notre-Dame-de-Grâce, backed by myself and other members who have spoken, can be referred to as diminutive westerners pushing the people of Canada, perhaps the whole world, a few inches closer to sanity. This may launch a new era in peaceful negotiations around the world. I certainly hope it does. Most of my life has been involved in practical things, so I want to make a practical suggestion. I am not cynical. I suggest this is a good place in which to launch a national campaign against vindictiveness. I do not know what we can do in the case of Red China or Russia, or what we can do to introduce the subject more forcefully to our rich and powerful neighbour to the south—but we can do something here.

If we can get Canadians really interested in the subject, I think something can be done. Canada has already made a considerable contribution to world affairs. Our former Prime Minister, Lester B. Pearson, was and still is highly respected in international circles. He is not always appreciated as much at home as he is abroad, but nevertheless he has made a considerable contribution to this subject. I am sure that he made efforts to give the United Nations teeth at the time that organization was formed.

Perhaps the crux of the matter is that it will cost money. We must be willing to spend a little more money on the affairs of this world. I am glad to know the hon. member who introduced this subject is a practical man. He knows the United Nations must be financed. We are a very rich nation. In the past we have sometimes been willing to pay a great deal more than our share, and we must continue to do so in the future. We not only have the resources but we know what the problem is, or certainly a few of us do. So it is our job to sell this idea to the Canadian people in every way possible.

• (5.50 p.m.)

I think time is running out. I am not a Jeremiah, but I believe that in this fast-moving age of ours we do not have 20 or 30 years in which to put this policy into operation. If this boat is to be pushed out, we had better get going in the two or three years we have. It must be done. As to China and Russia, we should not worry about that problem; I am sure there are millions of people in China and Russia who do not want war. This is true of the United States and it is certainly true of Canada. We must be realistic. While we are preparing our attitudes and speeches in the United Nations, we ought to be frank with these people and tell them their faults as we see them, as gently and as firmly as we can. We must remind Red China that if they expect co-operation from us—and sometimes the mouse can help the lion—they must be willing to join the rest of the human race; they cannot have their own way 100 per cent of the time.

It cannot be taken for granted that because Canada is small in terms of population we shall always be willing to go along with the policy adopted by other nations, whether the United States or the communistic states. On our part, because of our central location we are sometimes tempted to think we are as important or as powerful as other nations I have mentioned simply because we occupy such a big space on the map. Sometimes the communist countries forget that Canada, too,

has an important part to play and that international communism is perhaps not the answer to all the world's ills.

I think some of the policies followed by the United States have not been given full credit. For instance, the Marshall Plan, stripped of its political aspects, and no doubt there were a few, was one of the most generous acts of mankind in the history of this planet. Unless sovereign states are willing to see another side of the question and accept this type of overture, it will be difficult to reach the final stage which Tennyson foresaw 120 years ago when he said he looked forward to the day when we furled the battle flags in the confederation of the world.

I am not a world federalist in any formal sense, but I do think every nation should be prepared to give up some of its sovereignty. I agree with my hon. friend from Prince Edward Island when he said this sacred cow must be stripped of its garland. Let us not kill the cow, because we need milk; but I am against the sacred cow. If by taking a lead through giving up a small portion of her sovereignty Canada could set an example to smaller nations on the one hand, and to larger nations on the other, it would show we were willing to give up a chest-thumping approach in the broader interests of mankind. I think the motion put forward today might well be a milestone in the progress of mankind.

[*Translation*]

Mr. Jean-Pierre Goyer (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, technically, I supported the motion because it derived from a much valid concept and because I wanted to give the House the opportunity of discussing it, through the initiative of the hon. member for Notre-Dame-de-Grâce (Mr. Allmand), although I have serious reservations about the feasibility of what this motion proposes.

Naturally, I would need more than two minutes, the time left before the dinner recess, to explain those reservations. However, I can say that Canada made it a point of honour, at the last session of the UN, to wage a public fight, which was started by the minister when he visited New York last September, in order to get the Organization to work more efficiently.

Canada took three steps during the last session. In the first place, it advocated improvement in research. It is a known fact that the UN is flooded with all kinds of reports, which curtails its effectiveness. In addition, as for conferences and meetings, the Secretariat organized in 1960 for the Assembly in New York and in Geneva; 2,070 meetings; in 1967, there were 5,400 meetings that is twice as many, and in 1969, 6,400. It is obvious that at the rate those people meet to discuss various problems, it is impossible for them to be efficient.

In connection with methods and procedures, we have noted, for example, that assignments are badly distributed; for example, the special committee on policy met 46 times during the last session, shile the committee on social policy met 93 times. The question of apartheid was raised in three committees. We suggested the establishment of a three-member committee to discuss work organization in the United Nations, the efficiency of the existing committees, the procedure and the making up of the agenda, etc.

Those three resolutions were passed by the General Assembly.

The Acting Speaker (Mr. Béchard): Order. The hour appointed for the consideration of private members' business having expired, I do now leave the Chair until 8 p.m.

[*English*]

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

EXPROPRIATION

ACQUISITION AND ABANDONMENT OF LAND, APPOINTMENT OF HEARING OFFICERS, ETC.

The House resumed consideration of Bill C-136, respecting the expropriation of land, as reported (with amendments) from the Standing Committee on Justice and Legal Affairs.

Mr. Knowles, Winnipeg North Centre (for Mr. Brewin) moved:

That Bill C-136, an act respecting the expropriation of land be amended by adding at the end of subsection (1) of section 23 thereof the following: "so that each owner shall receive full and fair compensation for the expropriation".

He said: Mr. Speaker, I made the remark this afternoon when we were debating motion No. 2 that there is such a thing as getting

beyond one's depth. If I did not drown that time, hon. members can be hopeful that I might this time or next time.

In the absence of the hon. member for Greenwood (Mr. Brewin), I am privileged to put forward this amendment which Your Honour has read to the House. I believe it was understood that motions Nos. 8 and 9 would be considered together. At any rate, as far as I am concerned No. 9 is consequential upon No. 8, and therefore on this occasion I shall make only the one speech.

As I understand it, the change sought by this amendment submitted by the hon. member for Greenwood was discussed at some length in the Standing Committee on Justice and Legal Affairs. I gather that under the old system, the amount to be paid in cases of expropriation was determined by the court on its own initiative in light of its own judgment. On the other hand, the aim of the bill now before us is to change this practice and to provide statutory rules which will determine the amount of compensation.

I take it, having read the record of the committee proceedings, that there is general approval for this change. In fact, that is one of the main reasons for the introduction of this legislation. I think I am being fair to my colleague from Greenwood when I say that although he preferred not to make the change at all, he was prepared to accept statutory rules for the fixing of compensation, provided there was a bit of leeway afforded the court; that there was a provision that would make it possible for the court to exercise its own judgment in cases that did not seem to be covered in full by the rules set out in the statute.

The intent of my hon. friend's amendment is pretty well stated in the words that he would like added to subsection 1 of section 23, namely, "so that each owner shall receive full and fair compensation for the expropriation". In other words, the proposal that my hon. friend makes is along these lines: Let there be rules in the statute, and let the court follow those rules. But if there are cases where it is clear to the court that full and fair compensation has not been provided, then the court should have the authority and the jurisdiction to see that fair compensation is provided.

Perhaps I might take a moment to read a few words from the committee record. At pages 62 and 63 of issue No. 5 of the Minutes of Proceedings and Evidence of the Standing Committee on Justice and Legal Affairs, the hon. member for Greenwood said this:

[Mr. Knowles (Winnipeg North Centre).]

• (8:10 p.m.)

I am fearful that the infinite complexity of property owning and types of property and so on will mean that the endeavour under clause 24 to spell out in detail the exact rules to be applied in every case may mean that you have a rigidity that will prevent people from receiving a full and fair compensation. This would still leave these rules to be applied prima facie as to how the expropriation would be carried out. But if some case arose in which the rules clearly did not give full and fair compensation because of some type of property that did not fit into this same concept of market value or because of some reasons the market was not adequate or these other rules did not apply, in that case the court would be unable to do justice. In other words it would leave the thing at large rather than making this a rigid set of rules.

There is quite a bit more that I could read. In fact, I could read from both sides of the argument. However, I think those few sentences from the remarks of the hon. member for Greenwood contain the main argument for this amendment to clause 23, which motion I am happy to support.

If I may recapitulate, we accept the proposition that there should be written into the expropriation law statutory provisions and rules to be followed. It does seem that in modern times, with all their complexities, there are cases where there should be latitude for the court. My friend the hon. member for Greenwood says this latitude should be granted so that the court can ensure there will be full and fair compensation in every case.

I hope I have not done any injustice to the point the hon. member for Greenwood sought to make. It seems to me it has merit. It accepts what the government proposes in this bill but it provides a bit of latitude to ensure justice in every case. Therefore, on behalf of the hon. member for Greenwood I not only present but support this amendment.

Hon. John N. Turner (Minister of Justice): Mr. Speaker, I think the hon. member for Winnipeg North Centre (Mr. Knowles) has again been fair in presenting the amendment of his colleague, the hon. member for Greenwood (Mr. Brewin). One of the main purposes of this bill is to clarify the present vague rules of compensation paid to owners of expropriated property or those with an interest in the expropriated property, as contained in judicial decisions. Frankly, these decisions are sometimes hard to research and apply. It was our intent to convert these vague rules, as currently applied by the courts, into rules of statutory precision. These rules are set

forth with that precision in clause 24 of the bill.

The new law will provide for a comprehensive code in determining the compensation that is payable to owners of expropriated property. In general, the minimum or base value of the amount paid to owners of property expropriated by the federal government will be the market value of the property at the time of its taking by the federal government. Provision is made in clause 24, which is related to clause 23, to compensate for any loss or cost incidental to the disturbance faced by the expropriated owner, including moving to other premises and any element of special economic advantage related to the operation of the property.

Special rules are also provided to compensate owners of specially designed buildings such as schools, hospitals or religious institutions for which there is no general market value because there is no general demand for the property. Also, the statutory rules set forth in clause 24 relate to the value that is to be paid to the holders of secured interest in mortgages, and so on, in the property.

The statutory rules in clause 24 set forth the new principles of compensation the principle of a home for a home, and the right under the new law of an expropriated person to claim as compensation the cost of relocating his residence in reasonably equivalent premises if the compensation otherwise payable to him, represented by the market value, is not sufficient to establish himself in premises equal to those which have been expropriated. In the case of a tenant, the length of the term remaining under his lease, his prospect of obtaining a renewal of the lease and the investment he may have in the leased premises, and so on, including the nature of the business carried on by him on the premises, all are taken into consideration in determining the compensation payable to him.

All this illustrates that clause 24, to which clause 23 relates, sets forth a statutory code of compensation. The main objection the government has to the amendment introduced both at the committee stage, and rejected there, and now by the hon. member for Greenwood through the courtesy of his colleague the hon. member for Winnipeg North Centre, is that it attempts to provide an overriding provision to the effect that each owner shall receive full and fair compensation, so that the amount computed by the application of the rules will, in effect, be the minimum only.

It is the intention of the bill that the rules set forth in statutory form to provide full and fair compensation be of such a nature that the owners and the people of Canada, through the Crown, can evaluate with some measure of certainty what the ground rules are. I submit to Your Honour that the rules set forth in clause 24 provide for all appropriate compensable economic loss flowing from the taking of the property, and frankly we do not see the necessity for such an amendment.

My main objection to the proposal is that it would relegate, in effect, to a secondary position the statutory basis or ground rules for compensation set forth in clause 24, leaving the primary principle of compensation to judicial interpretation of whatever the words "full and fair compensation" mean. That would leave the door open, in my opinion, to vague interpretations of such things as "interest to the owner", and so on, which currently rely upon the uncertainty of judicial decisions.

For these reasons we feel that the clauses relating to compensation are fair and are meant to be statutory guidelines for the courts. Because in fact we feel that they do compensate in a full and fair way the owner of any interest expropriated by the federal government, we would recommend as we did at the committee, and as the committee accepted, the rejection of this judicial overriding of statutory provisions.

Mr. Woolliams: Mr. Speaker, perhaps I could make one point in an effort to expedite the matter. If you look at amendments 8, 9, 10 and 11 you will see they all relate to clause 24 dealing with rates of compensation. I was wondering whether they could all be packaged together. My amendment asks for the whole thing to be abolished. The amendment proposed by the hon. member for Greenwood (Mr. Brewin) makes certain changes. I submit the whole argument could be dealt with in a package, and I make the suggestion to save time.

Mr. Turner (Ottawa-Carleton): Mr. Speaker, on the same point of order, the hon. member for Greenwood used a rapier instead of a hammer, and he may prefer to have his particular motion dealt with separately.

Mr. Woolliams: They could be voted on separately, but they are one and the same thing. I do not mind if the minister wants to extend the debate.

Mr. Deputy Speaker: I am not sure where it would leave us, but there is a proposal put forward by the hon. member for Calgary North (Mr. Woolliams) that for the purposes of debate the subject matter of motions 8, 9, 10 and 11 be dealt with now. I am prepared to put that proposal to the House, if there is agreement. I see that the minister agrees. Is the hon. member for Winnipeg North Centre (Mr. Knowles) rising on a point of order in this connection?

Mr. Knowles (Winnipeg North Centre): I certainly would be willing to have the debate range over all four amendments. In one sense I should like that, because I would rather not have to make a decision at this stage as to whether we should force a vote on this point. If we could have the discussion on all four, we could more easily reach a decision as to whether we want a recorded vote on each of them. In other words, we could suspend the debate on this amendment, take the next one and move on.

• (8:20 p.m.)

Mr. Deputy Speaker: In light of the discussion, I think we might allow the debate to cover the subject matter of motions Nos. 8, 9, 10 and 11. I shall put the four questions when debate has come to an end and I can see whether there is a desire to have a roll call vote on each one. Is that agreeable?

Mr. Knowles (Winnipeg North Centre): With one qualification, Mr. Speaker. If the debate is to range over all four amendments, I hope I can get the floor again on amendment No. 10.

Some hon. Members: Agreed.

Mr. Deputy Speaker: We will therefore discuss motion No. 9 in the name of Mr. Brewin, as follows:

That Bill C-136, An Act respecting the expropriation of land be amended by striking out the word "shall" in section 24(1), line 33, page 19 of the bill and substituting therefor the word "may" and adding thereto the words "without restricting the generality of the provisions of section 23(1) hereof".

Motion No. 10 in the name of Mr. Brewin, as follows:

That Bill C-136, An Act respecting the expropriation of land be amended by striking out of section 24, subsection 9(c), the following words at the end thereof: "or other public purpose for which the interest was expropriated".

Then motion No. 11 in the name of Mr. Woolliams, as follows:

That Bill C-136, An Act respecting the expropriation of land be amended by deleting subclause 9 of clause 24.

[Mr. Woolliams.]

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, in view of the ruling, to use the minister's words I can discuss in one big sweep amendments on which I would have had to make several speeches. All motions 8, 9 and 10 do is make certain changes in clause 24(9). Basically what we are determining in this debate is how we will arrive at the value of appropriated interests and how much compensation should be paid. Although I agree with the hon. member who moved motion No. 10, I would rather we had only part of it.

I should like to make a few remarks in respect of clause 24(9) which I have asked be deleted. The other motions would merely amend certain parts. I suggest the deletion of clause 24(9) of the bill. This does not leave a vacuum, because the decision here is whether the amount of compensation is to be that determined by the common law rules, or by the complex, rigid, regulatory, statutory formula which now is subject to many interpretations and judicial and legal disagreement.

Several witnesses discussed this particular matter, including an appraiser and Mr. Weir of the Canadian Bar. Mr. Weir said, in respect of some of these parts, that they are hard to swallow. His main point is, do we want in this new appropriation bill a rigid formula, or do we want a more flexible rule under the common law which is the case law of Canada? Mr. Weir did not want to jump on either side because he could see the minister had taken a hard position and that we also had taken a hard position. Therefore, he said that it depends on whether we accept a more flexible rule in respect of compensation, which is the common law, or whether we want a rigid formula. Several lawyers who read papers before the Canadian Bar Association and witnesses who appeared before the standing committee took different views on the interpretation of subclause 9(a), (b), (c) and (d) and what it meant.

As I say the rules governing the amount of compensation to be paid a claimant, a land owner or one with interest in land, have evolved over a long period of time. I may find myself a little on the opposite side of the argument I put foward this afternoon. The Exchequer Court of Canada and the Supreme Court of Canada, through much of the case law, have set out pretty definite rules that are well understood by the legal profession engaged in this kind of specialty.

Today law is very complex, just as is medicine and dentistry. It will not be very long before lawyers will no longer be known as

barristers and solicitors but as men and women in a specialized field. There will be specialists in fields of law just as in the Department of Justice today there are lawyers who carry out only one phase of legal work. Lawyers will become specialists in tax law, in expropriation cases, in criminal law, in civil litigation or in estates. They will probably take the same general course and will then specialize in the same way doctors specialize. This is coming. It is probably overdue.

The object of any formula for expropriation, whether it is based on the common law rules—*stare decisis*—or on statutory regulation, should take into consideration two simple factors. One is the market value of the land, the value to the taker and not the owner. The second is the value of the present use plus any consequential loss arising from the disturbance of that use.

Having said that, let us see what clause 24(9) will do. First of all, it abolishes many of the common law rules. It would not compensate for any source of material used as part of the property expropriated. For example, if A owned a piece of land which was expropriated for the Trans-Canada Highway and was full of the resource gravel, and B owned land used for the highway in the adjacent area without the resource gravel, both would receive basically the same compensation because by clause 24(9)(a) any anticipated or actual use by the Crown of the land at any time after the expropriation shall not be considered in the valuation. So immediately you start to set up hard rules without flexibility, you get discrimination.

In the example I gave of A and B owning a piece of land taken for the Trans-Canada Highway, both would receive the same value under the hard and rigid formula of the minister even though the land of A contained gravel used on the highway. This is discrimination. I will please one gentleman who is not here at the moment by referring to a case about which he knows quite a bit. Our witness from the Canadian Bar Association said that this formula would be pretty difficult to swallow. When the minister quoted Mr. Weir, I had difficulty following him because he drew inferences from what Mr. Weir said in reference to the Exchequer Court and the civil courts, while the note I have is that Mr. Weir said it would be almost impossible to swallow. If the minister accepts Mr. Weir's evidence on one phase of the argument, I hope he accepts his evidence on the amendment so far as the formula for measuring compensation is concerned.

The common law is a flexible judicial system. All lawyers who have some appreciation of the common law of our country realize that one can do a good deal of research in case law but never find two cases which are identical. In preparing any point of law it is very difficult to say other than that the cases appear to be the same. The beauty of the common law is that it is flexible enough in respect of the decisions one would use. This would give the judges of the Exchequer Court, who the minister has now endorsed with great affection, more flexibility. Each case would stand on its own and we would get away from the discrimination I mentioned in respect of the example of highway property. I that case the specialists on behalf of the state, because they worked for the state for quite a while felt they would be able to control the Bench.

• (8:30 p.m.)

When you read the cases you see that the judges have been pretty flexible and fair to the citizens. I will deal with the *Fraser* case in a few moments. But what will the minister be doing if he takes to heart what has been recommended to him? He will say, "We do not trust these flexible judges any longer. I like the Exchequer Court, but I want to tell them what to do; therefore, I will give them a code and make it so hard and fast that there will be no flexibility". This is the new approach of the Liberal Party.

Mr. Ritchie: It is not very liberal.

Mr. Woolliams: That is right, but sometimes it has compensations. What does the common law actually say? The test has been laid down in many cases which I will mention in passing. I will deal with some of the things said in *Irving Oil v. The King, Diggon-Hibben v. The King,* and *Woods Manufacturing Company v. The King.* In dealing with the concept of the value to the owner as developed before the Supreme Court of Canada, the rules laid down were quite simple. I do not think they need to be codified. Lawyers have been dealing with these cases for a long time. The following is from a case before the Supreme Court:

> What would the claimant, as a prudent man, at the moment of expropriation (he then being deemed as without title but all else remaining the same) pay for the property rather than be ejected from it? Any readiness to pay anything above the value as waste land can only come from the fact that a causeway is to be built.

Added to these rules were refined decisions which have all been subject to further interpretation. We had the case of *Vezina v. the Queen* (1889, 17 SCR), which deals with the value of the land at the date of the expropriation—the value to the owner, not the taker. The Supreme Court of Canada had held that where land is taken by a railway company for the purpose of using the gravel thereon as ballast, the owner is only entitled to compensation for the land so taken as farmland, where there is no market for the gravel. This case was treated as overruled by the court in *Fraser v. The Queen* on the ground that the judgment was inconsistent with the subsequent judgment known as the Indian case, which was decided upon previously by the Judicial Committee of the Privy Council of Great Britain.

In the *Fraser* case, with Judson, J. dissenting, the court awarded over $360,000, which was $300,000 more than the Exchequer Court had awarded, for the 12.8 acres expropriated out of Porcupine Hill on the ground of its special adaptability as a source of rock for the causeway across Canso Strait, for which purpose the federal government expropriated the acreage. What really happened there? The court supplied flexibility. They may have gone a little far. They said that if you have two pieces of land, land A and land B, and the material necessary for the project was in land A and there was none in land B, the owner of land A was entitled to more compensation. Under the code as set out in clause 24 (9)—and this is really very technical—this has been done away with. They are all treated equally, no matter what is under the land or on it; all the land is treated as waste land.

So I say that the common law is far more flexible. To my mind it is more fair to the owner who lost his land, and it is also more fair to the taxpayer because a reasonable market value is paid at the time of taking. Of course, everybody agrees that the owner is not entitled to have the price enhanced because the taker wishes to buy the land for a certain project. But if that land is unique in that it has material necessary for a project, why should not the owner of that land be compensated for what he has either on the soil or underneath it? Surely that is a reasonable proposition.

Mr. Justice Ritchie of the Supreme Court of Canada, in dealing with the rules in *Cedar Rapids v. Lacoste*, namely, the imaginary market which would have ruled had the land been exposed for sale before any undertakers had secured the powers which made the undertaking as a whole a realized possibility, distinguished the *Fraser* case on the facts, stating that the federal government always had these powers and was not an undertaker who had to secure such powers. Let me shorten this to say that in other words we have to consider the imaginary market value of that land prior to the takeover, and we have to set up an imaginary purchaser at that time. Lands are valued in that fashion.

One of the most customary methods of appraising land is to go into a community where land has been taken or expropriated for a public purpose, or according to the federal statutes for use for a public purpose, and find out at the time of the taking what lands of a similar kind, under similar circumstances would have sold for. In taking a group of sales at that time, you come up with certain percentage per acre, and that is the value put on the land. That is the common law principle. To me this seems far better than setting down hard and fast rules, the interpretation of which every lawyer today disagrees with. None of the lawyers at the Canadian Bar Association meeting agreed with this meaning. I imagine that in the next five years lawyers will have a field day putting an interpretation on the meaning of the code.

That is why I would like to see the proposal abolished. It will not hurt the act. The act has many good parts in it, and the minister should be congratulated for bringing it in. He should reconsider his position on the formula for the expropriation proceedings, and the fact that the common law rules, in setting the quantum of compensation, were far better than a code which would be subject to appeals back and forth from decisions of the Supreme Court of Canada, which decisions will be refined and distinguished in other cases for the next ten years. For almost 100 years now we have been codifying rules of common law because of the case law. Therefore, why should we set down a whole set of new codes and terms which as I have proven, will discriminate against some people under similar circumstances?

To return to Mr. Justice Ritchie, I quote him as follows:

> The value must be tested in relation to the market which would have ruled had the land been exposed for sale before the powers of expropriation had been exercised.

That is the general rule which is known by all lawyers, all appraisers, and by laymen as

well. They ask: What would my land have sold for if the government had not come along and taken it from me?

Mr. Justice Ritchie states that this same view was expressed in *Agnew The Minister of Highways*, which is an Ontario case. The same common law rule was applied there, that where there is material under the soil, the owner is entitled to be paid for it. In other words, the value is the true value at the time of taking, plus any future potential value that the land might have.

However, this does not affect the authority of the judgment in the Indian case as to the duty of the arbitrator previously referred to, even where the only possible purchaser of the land's potentiality is the expropriating authority. The Indian case did throw a monkey-wrench into the common law principle because there was a tendency in the Canadian law not to apply the principle of future potential. Let me explain what I mean by that. If, for example, a group of men owned land near a city, their surveyors subdivided that land for a new suburban area, and the land was required for a freeway, the Canadian law did not go as far as the decision in the Indian case. But it finally did say that you were to pay for the true value of the land on its ordinary value plus its future potential, and because you had committed an overt act in planning a townsite you received the true value of the land plus something for the plans you had made because for a number of years you may have had that investment in mind knowing that eventually the city would spread to there. You paid fees for the engineers, but finally the project was lost to you because the government needed the land for another purpose. Proper, flexibles rules would take into consideration compensation for that kind of land potential.

• (8:40 p.m.)

The Indian case goes a little further. Lord Romer said that even if the piece of land was such that the only use it could have was the one the government was going to put it to, you were still entitled to be paid for it. That is the effect of the *Fraser* case. This area had rock, and the rock was needed to build the causeway. Even though they were the only purchasers who needed rock, they were obliged to pay for it. The Supreme Court of Canada upheld the judicial committee's decision in that case.

I am pointing out how flexible is the common law. Under the new formula the *Fraser* case would not have happened. They have abolished the Indian case. They have discriminated against many owners of land. I think there is something wrong when people go out and buy land for speculation, knowing that the government is interested in it. The federal government, working with provincial governments and municipalities, could have cut the price of housing had it stopped that kind of speculation investment, just as Saskatoon did a long time ago.

The situation is different where a person held land for a number of years and had bought it without any knowledge that the city would spread out. A former minister did that in the city of Calgary and it worked out fairly well. Surely such a person is entitled to be paid for that investment? That is what the common law rules accomplish. The statutory rules are almost impossible to understand, each one has to be interpreted separately and no one really knows the true situation. I am sure the minister would not claim to know what each of these subclauses means.

The simple rule is: What would a willing purchaser be prepared to pay the owner of the land at the time of expropriation, plus its future potential? That is the common law rule, and I repeat it: What would a willing purchaser be prepared to pay the owner of the land at the time of expropriation, plus its future potential? By this code the government is trying to plug all these loopholes, and some lawyers think it is opening the door and making things more difficult.

The case law has gone so far as to say that "willing purchaser" could be interpreted to mean the taker. This afternoon I dealt with the Lake Louise case. There is one more comment I would say about it. As a great lawyer in Toronto said to me, it is rather shocking that the government by its regulations can sterilize a development that the owners wanted to undertake and had planned to undertake, and can then come along and do exactly what the owners wanted to do.

In the Lake Louise case the owners planned a townsite. They had surveys done and maps made. Then the government said it was not going to allow them to build a townsite. But what is the government going to do? This is why common law is very important. It has now leased the site to Imperial Oil for multi-million dollar development. It seems to me that under this codified law, to develop the parks in western Canada you must now belong to big business like Imperial Oil, Canadian Power, and Sunshine. The little

man who was promised that if he gave up some of his rights, some of his leases, he would get the first chance to run a store or a motel, has been forgotten. That promise has gone down the drain.

Give me the common law with a little flexibility. Give me the right to see that these questions are interpreted by the courts. Despite all his feeling for the Bench, the minister must have been frightened this afternoon. Apparently he does not trust the Bench to do its job, because he is setting down the rules on how it will do its job.

All this reminds me of the story of Abraham Lincoln who one morning was on one side of a case and won it. In the afternoon he was on the opposite side of a similar case, and the judge reminded him about his appearance in the morning. Lincoln replied, "This morning I thought I was right, but this afternoon I know I am right." That explains the argument of the Minister of Justice (Mr. Turner). It will be interesting to hear what he has to say tonight, because he is going to be on the other side of the fence.

In order to be helpful, Mr. Speaker, I suggested that all the arguments on amendments Nos. 8, 9, 10 and 11 be made at the same time in one sweep, which would save my having to speak again. In conclusion, I trust the common law. I trust the independent judiciary of Canada. The law is very clear, simple and straightforward on measuring compensation for land. Why do we need a lengthy code when the common law has served its purpose and the judges, with their training and knowledge, are well equipped to interpret that law which has over a period of time served the average man well?

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

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I thought we were going to have all the discussion on these four motions before the questions were put on each of them. I have nothing more to say on No. 8, but I have something to say on Nos. 9 and 10.

Mr. Speaker: Is it the wish of the House that we now proceed to discuss motion No. 9, and that the question be put later on the four motions, Nos. 8, 9, 10 and 11?

Some hon. Members: Agreed.

Mr. Speaker: We will now hear debate on motion No. 9.

[Mr. Woolliams.]

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, the debate you will hear from this seat on motion No. 9 will be very brief because it is obvious that No. 9 is an amendment consequential to No. 8 and it would be necessary only if the House were intelligent enough to support motion No. 8. I should like to say that what we seek in motions Nos. 8 and 9 is not to set aside the proposition that there shall be rules in the legislation, as I think the minister intimated, but rather to provide that in special cases the court would still be in a position to exercise its judgment to make sure that there is full and fair compensation. That is why we have put forward motions No. 8 and 9. As I say, No. 9 is consequential to motion No. 8. I hope both of them will be supported.

• (8:50 p.m.)

Mr. Speaker: This completes discussion on motion No. 9. Motion No. 10 is now deemed to be before the House for consideration.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I have the honour to move motion No. 10 on behalf of the hon. member for Greenwood (Mr. Brewin). It is one of several dealing with clause 9 of the bill and relates to a specific point. Here I think I can do two things, namely, keep my remarks brief and make the matter clear, by referring to what the hon. member for Greenwood said about this proposed motion when the matter was discussed in the Standing Committee on Justice and Legal Affairs. I am looking at pages 80 and 81 of the Minutes of Proceedings and Evidence No. 5 of that committee. The hon. member for Greenwood is reported as having said this:

> I would like to ask the minister, under paragraph (c), whether he does not think that is extraordinarily broad, that is, any knowledge or expectation, prior to the expropriation, of the public work—I can see that—or other public purpose for which the interest was expropriated. In a dynamic economy such as you have around a big city, some of the public purposes like expressways and things like that are known for 10 or 15 years before, and this knowledge is bound to have some impact upon all the market prices in that area.
>
> It seems to me that you have drawn up something here that is so wide as to be impractical of application and very unjust as far as the actual person expropriated is concerned.
>
> I can see where knowledge of the actual public work and where it is actually going should not be allowed to enhance the value of the thing, but expectation of the public purpose for which the interest is expropriated is a very vague phrase. The minister said that the purpose of these rules is to give certainty and to have a clear measuring stick. I suggest to you that the litigation and the

argumentation about a phrase as vague, as broad and as extensive as that will be never ending and this is an example of the folly, in my judgment, of trying to pin down everything in this way.

I was interested in reading what followed. The minister took part in the discussion, as did the hon. member for Hamilton West (Mr. Alexander), the hon. member for New Westminster (Mr. Hogarth), and others. I do not intend to speak for them, but there seemed to be a fair amount of support for the position put forward by the hon. member for Greenwood, namely, that the language of clause 24(9)(c) is a little too broad. That is why the hon. member's amendment proposes that the last few words of this subparagraph be deleted. I notice, from reading the Minutes of Proceedings of the committee, that the hon. member for Calgary North (Mr. Woolliams) proposed that the whole of clause 9 be struck out; but that is another amendment, and I think it goes too far. So, on the basis of the argument put forward by the hon. member for Greenwood, who said that in a modern society this kind of language is too broad, I present this motion to the House in the hon. member's name.

Mr. Turner (Ottawa-Carleton): Mr. Speaker, may I, to save the time of the House, reply to the hon. member for Winnipeg North Centre (Mr. Knowles) about amendment No. 10 and, immediately after, reply to the hon. member for Calgary North (Mr. Woolliams) about amendment No. 11.

This is a new proposal put forward by the hon. member for Greenwood (Mr. Brewin). It was not a proposal that reached the committee in concrete form in the form of an amendment, although he referred to the point in committee. We thought about it a good deal, but I am afraid we cannot agree to it because clause 3 of the bill authorizes the expropriation of land for public works or other purposes. If the amendment proposed by the hon. member for Greenwood were accepted, clause 24(9)(c) would apply where the expropriation was for a public work but not where it was for a public purpose other than a public work. In other words, if the purpose of the expropriation were for a greenbelt or something like that, it would not be for a public work but would be for a public purpose.

Undoubtedly some will suggest, as did the hon. member for Winnipeg North Centre tonight, that clause 24(9)(c) is too broad in its wording and in some cases it will deprive an owner of compensation because of the increase in value of his property by virtue of there being contemplation on the part of some people of the expropriation. I have no doubt, however, that the courts and indeed the Crown will apply this provision only in those circumstances where the problem it is intended to remedy actually exists. There may be difficulty in distinguishing a purpose that is a public work and a purpose that is not a public work, because the expropriation itself may be for recreational purposes, planning purposes or purposes that are not reflected merely in the erection of a building or other material construction. For that reason I submit that the House ought to reject motion No. 10.

Motion No. 11 which the hon. member for Calgary North moved or brought forward this evening suggests that clause 24(9) be deleted completely. If I may, I should like to recall to the House the wording of clause 24(9). It provides:

(9) In determining the value of an expropriated interest, no account shall be taken of (a) any anticipated or actual use by the Crown of the land at any time after the expropriation;

This paragraph is designed to overrule or override a case of the Supreme Court of Canada. If there is no demand for the property other than the demand or requirement of the Crown for those purposes for which the Crown proposes to use the land, those purposes would not be taken into consideration under this paragraph in determining the value of the property. Paragraph (b) reads:

any value established or claimed to be established by or by reference to any transaction or agreement involving the sale, lease or other disposition of the interest or any part thereof, where such transaction or agreement was entered into after the registration of the notice of intention to expropriate;

We introduced that paragraph because we wanted to avoid any change in value after the registration of the notice of intention to expropriate had set in process the expropriation procedure. We want to avoid speculation or artificial transactions based on the anticipation of an expropriation. Paragraph (c) reads in part:

any increase or decrease in the value of the interest resulting from the anticipation of expropriation by the Crown—

Here again, this paragraph is designed to meet the problem which arises when prior to an expropriation there is public knowledge that there will be an expropriation. We do not want to penalize the interest of an owner in land by any decreasing in value of the land

which may result from such public knowledge; nor do we want to encourage speculation. Actually, paragraphs (b) and (c) are designed to prevent speculation in land in anticipation of an expropriation or after registration of the notice to expropriate has been filed. We do not want people to profit from the public use of land; we want them to receive fair value for it; we want them to recover any legitimate economic loss; but speculation in land is not something this bill is designed to encourage.

The final paragraph (d) reads:

(d) any increase in the value of the interest resulting from its having been put to a use that was contrary to law.

Surely my hon. friend from Calgary North will not argue too strenuously that if a property is being used as gaming-house or a house of ill repute the Crown should consider any so-called additional value as attaching to that property, and that that additional value ought to be compensable.

Mr. Woolliams: Where is the authority for the minister's statement?

Mr. Turner (Ottawa-Carleton): Let us consider the hon. member's argument, Mr. Speaker. What he is saying to the House is that here we have good, old, traditional common law rules set by the judges over the years and based on case law in Great Britain and Canada, and we do not want that case law substituted by these statutory rules, so he says.

• (9:00 p.m.)

I say to the hon. member for Calgary North that we are trying to substitute the uncertainty of the current judicial case law and the difficulty of researching that case law—the difficulty of putting forth in explicable language to the average citizen in Canada what that law is—by the certainty of codified rules for compensation. I agree with the hon. member for Calgary North that neither he nor I can predict how the courts will interpret these statutory rules. He can put his interpretation on them and I can do the same. Under our British parliamentary system the courts will be left to read the statute as they find it.

I suggest to the hon. member there will be more certainty in the uncertain determination of certain statutory rules than in the uncertain determination of uncertain judicial rules. If we are comparing certainties, I hope I have the better of the argument. The hon. member says the lawyers will have a field day under my system. I suggest they would have a bonanza under the system he recommends.

[Mr. Turner (Ottawa-Carleton).]

Mr. Baldwin: Mr. Speaker, could I ask the minister a question? As the minister is aware, his distinguished colleague, the Minister of Finance (Mr. Benson) has a certain project before a committee at the present time which is known as the white paper on taxation. One of the provisions has to do with a five-year revaluation for the capital gains tax. Has the minister borne in mind the fact that when the minister has his wicked way and that provision becomes the law of the land, unless my friends in the committee are able to frustrate him, it will have the effect of removing from the normal market the ability of a great percentage of the people of Canada to place pressure on the capacity to purchase land? There will no longer be a fair market value for the land, and consequently all the rules which the minister is suggesting will be negated. Has the minister taken that into account?

Mr. Speaker: Order, please. I suggest to the hon. member that his argument is somewhat extraneous in substance to the motion now before the House. The Chair will assume that the discussion on motion No. 10 is completed.

Mr. Knowles (Winnipeg North Centre): I rise on a question of privilege, Mr. Speaker. I shall be very brief. It is not unfriendly nor contentious. The minister said something in response to my remarks which I think deserves comment, if I could have the floor for a minute.

The minister said that the intent of amendment No. 10, which we are now dealing with, was not moved in the committee. That is technically correct, Mr. Speaker. There was not an amendment which merely sought to strike out those few words. But may I point out, as recorded at page 81 of Minutes No. 5 of the committee, that the member for Greenwood (Mr. Brewin) zeroed in, if I may use that popular parliamentary phrase, on the phrase "expectation of the public purpose for which the interest is expropriated". He said it was a very vague phrase. Most of his speech was against that part of the clause. Later the hon. member for Greenwood moved that the whole of paragraph (c) be struck out. This came to a vote which is recorded at page 94 of Minutes No. 5. The vote was 9 yeas, 9 nays, and the chairman said he was on the side of justice.

Mr. Turner (Ottawa-Carleton): Naturally.

Mr. Knowles (Winnipeg North Centre): That's what got us into this mess.

Mr. Speaker: Order, please. The hon. member for Winnipeg North Centre (Mr. Knowles) will be the first to admit that that is not a question of privilege. The hon. member might have sought the floor the second time under the provisions of Standing Order 37, but I doubt very much—

Mr. Knowles (Winnipeg North Centre): Thank you, Mr. Speaker. May it be recorded I sought the floor a second time to correct something I believed had been said in error?

Mr. Speaker: Order, please. We have now completed consideration of motion No. 10 and we will move on to motion No. 11. If there is no discussion on motion No. 11, we will turn to motion No. 8. Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: All those in favour will please say yea.

Some hon. Members: Yea.

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

Some hon. Members: Nay.

Mr. Speaker: In my opinion the nays have it. I declare the motion lost.

Mr. Knowles (Winnipeg North Centre): On division.

Motion No. 8 (Mr. Brewin) negatived.

Mr. Knowles, Winnipeg North Centre (for Mr. Brewin) moved:

That Bill C-136, An Act respecting the expropriation of land be amended by striking out the word "shall" in section 24(1), line 33, page 19 of the bill and substituting therefor the word "may" and adding thereto the words "without restricting the generality of the provisions of section 23(1) hereof".

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

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: All those in favour will please say yea.

Some hon. Members: Yea.

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

Some hon. Members: Nay.

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

Mr. Knowles (Winnipeg North Centre): On division.

Mr. Speaker: I declare the motion lost, on division.

Motion No. 9 (Mr. Brewin) negatived.

Mr. Knowles, Winnipeg North Centre (for Mr. Brewin) moved:

That Bill C-136, An Act respecting the expropriation of land be amended by striking out of section 24, subsection 9(c), the following words at the end thereof:
"or other public purpose for which the interest was expropriated".

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

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: All those in favour will please say yea.

Some hon. Members: Yea.

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

Some hon. Members: Nay.

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

Mr. Knowles (Winnipeg North Centre): On division.

Mr. Speaker: I declare the motion lost, on division.

Motion No. 10 (Mr. Brewin) negatived.

Mr. Speaker: The House will now proceed to the taking of the deferred division on Motion No. 1. Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: All those in favour will please say yea.

Some hon. Members: Yea.

Division

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

Some hon. Members: Nay.

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

And more than five members having risen:

Mr. Speaker: Call in the members.

The House divided on motion No. 1. (Mr. Woolliams) which was negatived on the following division:

YEAS

Messrs:

Alexander
Asselin
Baldwin
Barnett
Beaudoin
Bell
Broadbent
Code
Comeau
Crouse
Danforth
Flemming
Fortin
Gauthier
Gilbert
Godin
Grills
Hales
Harding
Knowles (Winnipeg North Centre)
Lambert (Bellechasse)
Laprise
La Salle
Lewis
MacEwan
MacInnis (Cape Breton-East Richmond)
MacInnis (Mrs.)
MacLean
MacRae
McCleave
McCutcheon
McGrath
McIntosh
McKinley
Monteith
Moore
Nesbitt
Nielsen
Noble
Nowlan
Nystrom
Peters
Ricard
Ritchie
Rodrigue
Rose
Saltsman
Schumacher
Simpson
Southam
Stanfield
Thomson (Battleford-Kindersley)
Winch
Woolliams—54.

NAYS

Messrs:

Allmand
Anderson
Badanai
Barrett
Basford
Béchard
Blair
Blouin
Borrie
Cadieux (Labelle)
Chrétien
Cobbe
Côté (Richelieu)
Crossman
Cyr
Danson
Davis
Douglas (Assiniboia)
Drury
Dubé
Duquet
Foster
Gervais
Gibson
Gillespie
Goode
Goyer
Gray
Groos
Hogarth
Honey
Howard (Okanagan Boundary)
Hymmen
Isabelle
Jamieson
Jerome
Kaplan
Kierans
Laflamme
Laing (Vancouver South)
Lang (Saskatoon-Humboldt)
Leblanc (Laurier)
Lefebvre
Legault
Lind
MacGuigan
McIlraith
Mahoney
Major
Marceau
Marchand (Kamloops-Cariboo)
Munro
Murphy
Noël
O'Connell
Olson
Orange
Osler
Ouellet
Penner
Pepin
Perrault
Pilon
Pringle
Reid
Richard
Roy (Timmins)
Serré
Smith (Saint-Jean)
Stanbury
St. Pierre
Sulatycky
Tolmie
Trudeau
Turner (Ottawa-Carleton)
Wahn
Weatherhead
Whelan
Whicher—79.

[Mr. Speaker.]

• (9:40 p.m.)

The House divided on motions Nos. 2 and 3 (Mr. Brewin) which were negatived on the following division:

YEAS

Messrs:

Alexander
Asselin
Baldwin
Barnett
Beaudoin
Bell
Broadbent
Code
Comeau
Crouse
Danforth
Flemming
Fortin
Gauthier
Gilbert
Godin
Grills
Hales
Harding
Knowles (Winnipeg North Centre)
Lambert (Bellechasse)
Laprise
La Salle
Lewis
MacEwan
MacInnis (Cape Breton-East Richmond)
MacInnis (Mrs.)
MacLean
MacRae
McCleave
McCutcheon
McGrath
McIntosh
McKinley
Monteith
Moore
Nesbitt
Nielsen
Noble
Nowlan
Nystrom
Peters
Ricard
Ritchie
Rodrigue
Rose
Saltsman
Schumacher
Simpson
Southam
Stanfield
Thomson (Battleford-Kindersley)
Winch
Woolliams—54.

NAYS

Messrs:

Allmand
Anderson
Badanai
Barrett
Basford
Béchard
Blair
Blouin
Borrie
Cadieux (Labelle)
Chrétien
Cobbe
Côté (Richelieu)
Crossman
Cyr
Danson
Davis
Douglas (Assiniboia)
Drury
Dubé

Duquet
Foster
Gervais
Gibson
Gillespie
Goode
Goyer
Gray
Groos
Hogarth
Honey
Howard (Okanagan Boundary)
Hymmen
Isabelle
Jamieson
Jerome
Kaplan
Kierans
Laflamme
Laing (Vancouver South)
Lang (Saskatoon-Humboldt)
Leblanc (Laurier)
Lefebvre
Legault
Lind
MacGuigan
McIlraith
Mahoney
Major
Marceau
Marchand (Kamloops-Cariboo)
Munro
Murphy
Noël
O'Connell
Olson
Orange
Osler
Ouellet
Penner
Pepin
Perrault
Pilon
Pringle
Reid
Richard
Roy (Timmins)
Serré
Smith (Saint-Jean)
Stanbury
St. Pierre
Sulatycky
Tolmie
Trudeau
Turner (Ottawa-Carleton)
Wahn
Weatherhead
Whelan
Whicher—79.

Mr. Speaker: As a negative vote has been taken in respect of combined motions 2 and 3 and since motions 4, 5 and 6 are consequential on combined motions 2 and 3, motions 4, 5 and 6 are deemed to have been dropped. I remind hon. members that motion No. 7 has already been adopted. Motions 8, 9 and 10 were negatived on division.

• (9:50 p.m.)

The House divided on motion No. 11 (Mr. Woolliams) which was negatived on the following division:

YEAS

Messrs:

Alexander
Asselin
Baldwin
Beaudoin
Bell
Code
Comeau
Crouse
Danforth
Flemming
Fortin
Gauthier
Godin
Grills
Hales
Hogarth
Lambert (Bellechasse)
Laprise
La Salle
MacEwan
MacInnis (Cape Breton-East Richmond)
MacLean
MacRae
McCleave
McCutcheon
McGrath
McIntosh
McKinley
Monteith
Moore
Nesbitt
Nielsen
Noble
Nowlan
Ricard
Ritchie
Rodrigue
Schumacher
Simpson
Southam
Stanfield
Woolliams—42.

Division

NAYS

Messrs:

Allmand
Anderson
Badanai
Barnett
Barrett
Basford
Béchard
Blair
Blouin
Borrie
Broadbent
Cadieux (Labelle)
Chrétien
Cobbe
Côté (Richelieu)
Crossman
Cyr
Danson
Davis
Douglas (Assiniboia)
Drury
Dubé
Duquet
Foster
Gervais
Gibson
Gilbert
Gillespie
Goode
Goyer
Gray
Groos
Harding
Honey
Howard (Okanagan Boundary)
Hymmen
Isabelle
Jamieson
Jerome
Kaplan
Kierans
Knowles (Winnipeg North Centre)
Laflamme
Laing (Vancouver South)
Lang (Saskatoon-Humboldt)
Leblanc (Laurier)
Lefebvre
Legault
Lewis
Lind
MacGuigan
MacInnis (Mrs.)
McIlraith
Mahoney
Major
Marceau
Marchand (Kamloops-Cariboo)
Munro
Murphy
Noël
Nystrom
O'Connell
Olson
Orange
Osler
Ouellet
Penner
Pepin
Perrault
Peters
Pilon
Pringle
Reid
Richard
Rose
Roy (Timmins)
Saltsman
Serré
Smith (Saint-Jean)
Stanbury
St. Pierre
Sulatycky
Thomson (Battleford-Kindersley)
Tolmie
Trudeau
Turner (Ottawa-Carleton)
Wahn
Weatherhead
Whelan
Whicher
Winch—91.

Mr. Speaker: I declare the motion lost.

Hon. John N. Turner (Minister of Justice) moved that Bill C-136, respecting the expropriation of land, as reported (with amendments) from the Standing Committee on Justice and Legal Affairs, be concurred in.

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

Some hon. Members: On division.

Motion agreed to.

Proceedings on Adjournment Motion

Mr. Speaker: When shall the said bill be read the third time? By leave, now?

Mr. Knowles (Winnipeg North Centre): At the next sitting of the House.

Mr. Woolliams: Mr. Speaker, I would suggest that it be read the third time now. We have had the debate. It seems to me that it would be pointless not to give it third reading now.

Some hon. Members: Hear, hear!

Mr. Knowles (Winnipeg North Centre): It can be read at the next sitting of the House just as well as tonight.

Some hon. Members: Oh, oh!

Mr. Speaker: Is it the pleasure of the House that we call it ten o'clock?

Some hon. Members: Agreed.

PROCEEDINGS ON ADJOURNMENT MOTION

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

ROYAL CANADIAN MOUNTED POLICE—COMPLAINTS RESPECTING HARASSMENT OF PORTUGUESE SHIPS

Mr. James A. McGrath (St. John's East): Mr. Speaker, my grievance arises from a question I directed to the Solicitor General (Mr. McIlraith) on February 2 which will be found at page 3081 of *Hansard*. It refers to what I said at the time was the excessive harassment of a Portuguese ship at the port of St. John's by the RCMP. I am not quarrelling with the minister's reply; I am merely taking advantage of the opportunity which this adjournment debate gives me to elaborate on the question and to enlarge upon the premise of the question, which I could not do during the oral question period.

On Monday, January 26, the Portuguese ship *David Melgueiro*, with approximately 800,000 pounds of fish, put into the port of St. John's as a consequence of a mishap at sea. During heavy seas off the coast of Labrador the vessel ran into some ice and developed a leak. She arrived at the port of St. John's on Monday, January 26. It had taken her about two or three days to get to port, during which time the crew had to be on watch at all times, without sleep. I say this because it is important to what I am about to say.

When the vessel arrived at St. John's, the crew naturally prepared to make up for the two or three days in which they had to stand watch at sea. On the night of Tuesday, January 27, the vessel was raided by the RCMP and 15 to 20 officers were involved in the raid. During the conduct of that raid they confiscated a quantity of cigarettes, cigars, wine and the usual sort of thing—not an excessive amount; but the conduct of the RCMP is the basis of my grievance.

• (10:00 p.m.)

Mr. Speaker, the Portuguese fishing fleet has been using the port of St. John's for the last 400 years. I hope the parliamentary secretary will remain for a few minutes, because he might learn something. The Portuguese fleet has been using this port for the last 400 years, as a matter of fact so much so that the Portuguese crews are considered to be an integral part of the community life of St. John's. When an incident like this occurs, where there is evidence that excess was used in the conducting of a search—a legitimate search—by the RCM Police, it has the same effect as if the RCMP were to enter a private home in the city of St. John's and conduct themselves in the same way.

In his reply the minister indicated that an investigation was under way. We are anxious to know what the result of that investigation is, because if the Portuguese fleet is to be harassed in this way by the RCMP, obviously it is not going to use the port of St. John's because there are other port facilities available to it on the French islands of St. Pierre and Miquelon. We are very anxious to retain in St. John's the business which accrues from the Portuguese fleet. It is a very important source of revenue to the port, and instead of this sort of conduct we should be treating them with the greatest of respect and doing everything we can to encourage them to use our port facilities which were put there at great expense by the government of Canada.

Because of the limited time at my disposal, Mr. Speaker, I am going to quote directly from a letter sent to the Attorney General of Newfoundland by the master of the Portuguese vessel *David Melgueiro*, in which he recognizes the fact that there was an infringement of the law. Some whisky had been sold by a member of the crew, contrary to the regulations of the Portuguese authorities, and the regulations of the vessel. But notwith-

standing that fact, the master of the ship goes on to list eight points which I shall read into the record:

(1) Roughly manhandling the crew and damaging their belongings.

(2) Deliberately breaking padlocks and suitcases while members of the crew were endeavouring to open them.

(3) Deliberate and quite unnecessarily breaking a framed religious picture.

(4) Brutally dragging an injured seaman out of the infirmary bed and throwing the mattress and bedclothes on the floor, despite the screams of pain from this man.

(5) Entering the officers' rooms while they were asleep and ransacking the contents of the rooms, which included their own clothing and belongings, as well as ship's documents and papers.

(6) Breaking ship's doors and padlocks, again while we were in process of opening them with the proper keys.

(7) Confiscating articles that had been stamped and legalized by the Customs in St. John's.

(8) Seizing six weapons found on board, three of which were hunting guns, bought by me at a St. John's store and legalized by the Canadian authorities, and three other pistols which were ship's weapons, given to the ship by the Portuguese authorities, which until then, I had not had time or opportunity to legalize.

These are eight very important charges made by the master of this vessel against the RCMP for their conduct in the course of their search of this ship. Imagine, if you will, a ship that had run into difficulties in heavy seas off the coast of Labrador, made for what has been the traditional haven of the Portugese fleet, the port of St. John's, got into that traditional haven and the crew considered themselves lucky to be there. They were in the process of getting some well-earned rest when at midnight, to use the words of the master of the ship, in a Gestapo way of doing things 15 to 20 members of Canada's finest, the RCM Police entered this ship on legitimate business. They had ample evidence to indicate that smuggling had in fact taken place. The master concedes that in his letter when he says:

Unfortunately, without my knowledge and despite strict orders from the Portuguese authorities, one member of my crew had sold to two St. John's citizens four cases of whisky, in all a total of 48 bottles.

I recognize that this took place; but that does not for a moment excuse the way the RCMP conducted its search, disregarded the personal property of members of the crew, completely disregarded the ship's officers and showed a total disregard for a crew member who was sick in the infirmary. The captain was forced out of his bed at great discomfort and with much pain, and a search was made of his belongings.

The Acting Speaker (Mr. Béchard): Order, please.

Mr. McGrath: The captain is prepared to document this evidence by affidavit.

Hon. G. J. McIlraith (Solicitor General): Mr. Speaker, the question asked by the hon. member was: Has the Solicitor General received complaints of what appears to be excessive harassment by the RCMP of Portuguese ships in the Port of St. John's? That was a general question about the treatment of Portuguese ships in the harbour of St. John's. That was investigated and found to be without foundation. I shall have a word to say about that in a moment.

Tonight the hon. member added a new dimension and a new series of charges as to the conduct of officers making a search in a proper, authorized way in the course of their duty. The facts are that in the course of regular harbour duty a truck was discovered being loaded from that ship with certain cases and that resulted in a search being made. The search resulted in proceedings under the Customs Act, and fines. There is no difference on that point.

As to the general question asked, I think I should make it clear at once that I know and appreciate the hon. member's concern for the treatment of Portuguese ships in St. John's harbour, because I think it is common knowledge that the conduct of Portuguese sailors—and I think I can say this in all fairness to other sailors—is among the very best in the sailing world. The conduct in that fleet is very good. Of 382 Portuguese ships entering the port last year, only six were searched. I think there is no complaint on that score.

The new charges brought forward tonight affect another subject which is quite separate in my mind, that is, the conduct of officers of the Canadian police forces in affecting that search. I have had no opportunity to check that at all. I will be very glad to have the matter checked at once and quite thoroughly, because there is an adequate procedure for proper disciplinary action if the charges are well-founded. That I will undertake to do. As to the other matter of there being any reflection on the conduct of Portuguese ships in the harbour, I repeat that this fleet is famous for its good conduct in that harbour. Far from there being any feeling of antagonism toward it, there is an opposite feeling, I think, on the

part of law enforcement officers, no matter whether they are in the courts, members of the local police force or of other forces in the area.

• (10:10 p.m.)

[*Translation*]

REGIONAL ECONOMIC EXPANSION—ABITIBI—CONSTRUCTION OF ACCESS ROAD

Mr. Gérard Laprise (Abitibi): Mr. Speaker, on February 4, I asked the Minister of Regional Economic Expansion (Mr. Marchand) if he had received from the La Sarre Chamber of Commerce a letter requesting financial assistance for the completion of an access road to the Villebois resources, towards James Bay, in northwestern Quebec. The minister was not allowed to answer.

The following day, I received a phone call from a public servant, telling me the said letter had just been found and, having looked into it, the minister authorized a reply. I do not know whether that reply will be favourable or not but I should like to say tonight why the La Sarre Chamber of Commerce has appealed to the Minister of Regional Economic Expansion.

First, we know the minister heads a department which is supposed to assist in the development of underdeveloped areas. Now, in our area there is a lack of development and employment. Several families have to move to other areas and a great part of our labour force must earn a living in the neighbouring province.

Now, faced with our governments' inaction, businessmen in the area decided, after much consideration and reflection, to undertake the building of a road leading to the sea and to new natural resources, which are abundant in that vast area.

Under the direction of the local Chamber of Commerce, farmers, workers, woodcutters, miners and businessmen, and even unemployed people, contributed more than a quarter of a million dollars to clear the ground.

The Quebec government, while claiming to look favourably upon the building of such a road to James Bay, showed themselves sparing of their assistance. The Department of Forestry conceded a few woodcutting rights and granted a $60,000 subsidy to build a road 130 miles long. In my opinion, this is merely an agreement in principle.

The Chamber of Commerce is therefore asking for assistance from the federal government. The parliamentary secretary to the minister (Mr. O'Connell) may answer that he cannot disregard the guidelines of the provincial government about roads and that the Quebec province should seek the assistance of the federal government. If my information is correct, the Quebec province has recently made an application for a $200 million subsidy which was turned down by the federal government.

There is one thing, however, which is annoying the people of Quebec. Under the guise of the sacrosanct autonomy, we are ready to pay taxes for the other provinces while depriving ourselves of the same advantages.

It is well known that around 1966, the Canadian government passed a law allocating around $100 million for the building of roads in the Northwest Territories and in the Yukon in the next ten years.

We have nothing against the government building roads in the Northwest Territories in order to reach the wealth lying there. However, there are also resources in the northern part of Quebec and Quebecers are paying taxes to build roads in the Northwest Territories and the Yukon.

But we, for the sake of provincial autonomy, are depriving ourselves of the same advantages. We forget—God knows why,—to ask the co-operation of the federal government.

For instance, in 1965-67, we spent $4,465,000 to build roads in the Yukon, and we spent $4,590,500 in the Northwest Territories during the same period.

On April 8, 1969, we were told that within a few weeks, the building of 77 miles of highways between Fort Providence and Fort Simpson would be under way, for a lump sum of $2,404,000.

Yet, it was announced, in March 1969, that Ottawa would invest $343 million in Prince Edward Island which has a population of roughly 115,000, while the vast area of northwestern Quebec has a population of 180,000.

In view of these facts, the Minister of Regional Economic Expansion came personally to Rouyn-Noranda, a few weeks ago, to meet the representatives of the La Sarre Chamber of Commerce, who it seems advised him of their financial needs. The minister then expressed the view that he was in favour of the idea.

The minister will assuredly answer that he cannot do it directly. However, I know he quite often has the opportunity of meeting Quebec ministers and talking with them. I am

sure that if he wants to, he can reach an agreement with them with a view to setting up a joint program.

The northwestern region is a designated area and its population is now leaving it. In order to enable the industries to develop the already existing resources, roads must be built. Therefore we ask the minister to get in touch with the Quebec authorities, in order to develop this region.

The department is willing to devote rather important sums to the development of processing industries, but we must have access to raw materials.

In my opinion it would be desirable to reach an agreement, to get in touch with the Quebec government with a view to getting its co-operation. Indeed, the government has funds it could devote to the clearing of northwestern Quebec and of the Northwest Territories as well—

The Acting Speaker (Mr. Béchard): Order.

Mr. Martin O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): Mr. Speaker, I quite understand the interest of the hon. member for Abitibi in the development of northwestern Quebec and particularly in the building of the road from Villebois to James Bay which is undoubtedly a project of great interest for the people of the area.

Last week, the Minister of Regional Economic Expansion (Mr. Marchand) received a letter from the La Sarre Chamber of Commerce asking for financial help for the construction of that road.

In view of the fact that this request is now under consideration, it is much too early to announce what decision will be made in this respect. However, I should like to point out to the hon. member that the building of roads comes mainly under provincial jurisdiction and that according to the departmental terms of reference, financial help can only be granted for that kind of project if it comes within the framework of the special area program. Furthermore, such projects have to be essential to the success of a development plan prepared for that area.

Therefore, the minister will have to take this important factor into consideration in the answer he will give to the La Sarre Chamber of Commerce in the near future.

[*English*]

IMMIGRATION—DEPORTATION OF DESERTERS FROM U.S. ARMED FORCES

Mr. David Lewis (York South): Mr. Speaker, I asked the Solicitor General (Mr. McIlraith) earlier today whether he would order an independent inquiry by a judge or other person into incidents which occurred in Vancouver, or in British Columbia, on January 25. These incidents involved three United States army deserters who had entered Canada legally a couple of weeks earlier and who were on the evening of that day deported from Canada, in my submission without authority, without any deportation order, without the necessary warning and without any resemblance of lawful activity by officers of the Royal Canadian Mounted Police.

This matter is of the utmost importance. I would remind hon. members that some months ago the Minister of Manpower and Immigration (Mr. MacEachen) laid down the policy—I am summarizing it—that the military status of entrants to Canada from the United States was irrelevant and would not be taken into consideration. Therefore, the fact that these three young men were United States army deserters is irrelevant to our consideration.

My information is that they came into Canada legally some weeks ago; that on January 25 they were taken into custody, or apprehended or in some other way led from Bridal Falls to Huntingdon by two RCMP officers; that at Huntingdon they were interviewed by an immigration officer called Smith who found they had entered legally into Canada and that there was nothing wrong with the situation. I understand that one of these men telephoned the Reverend Hewett, a minister in Vancouver, from the Canadian immigration office in Huntingdon and said to him, "We are about to be deported. We do not want to be deported. Can you help us?"

These three young men then found themselves on the United States side under arrest. Who got them there? How did they get there? There is conflict between the information given me by Don Rosenbloom, a lawyer in Vancouver, by the RCMP officers in British Columbia and by the minister in a letter dated February 3.

• (10:20 p.m.)

The officers in British Columbia suggested that these three men wanted voluntarily to go to the United States, the kind of suggestion that only a fiction writer could have thought

of. Here were three men who had deserted the U.S. army and had come to Canada. The suggestion now is that they said, "Please take us across so that we can go to jail". The minister's letter to me does not make any such suggestion. In his letter the minister's suggestion is that these three men wanted to regularize their entry into Canada. How they could be so dumb as to regularize something that they knew was already regular, I do not understand.

The point is that as far as I am concerned, and as far as the information that I have is concerned, the behaviour of the officers of the Royal Canadian Mounted Police—and perhaps the behaviour of some immigration officer; I do not know—was sheer, illegal kidnapping; it involved putting these men across the border without any semblance of authority or action taken pursuant to the law.

According to Doug Collins on the television program last night, he spoke to the United States officer, Baty, who arrested these men on the U.S. side. Officer Baty informed Mr. Collins that he had been telephoned and informed that three deserters were going to be available on the U.S. side of the border. Then he came there and took them from the RCMP officers. These are some of the facts as related to me and as related to the people of Canada on television last night.

I am not blaming the minister in this case. It is not a question of my saying that the Solicitor General is in any way responsible. He could not know what the officers did. But I do say that it is a false sense of loyalty for him to be satisfied with an inquiry made "inside the show", for him to be satisfied with information given him by people who, even if they were the absolute apostles of truth, would nevertheless be influenced by the fact that they had to justify actions which, unless they could do so, were obviously outside the law. This is not the kind of inquiry that will give him or give this Parliament the truth.

The only way to get the facts is to have a judge or some other disinterested person inquire into the case. The minister should want this independent inquiry; it should not be necessary for me to pressure him to seek it. He should want it for the sake of the Royal Canadian Mounted Police. He should want it for his sake and for the sake of his department. If he is not ready to order such independent inquiry, I suggest he is either being misguided or he is so anxious to hide facts that would show his officers to be in the wrong that he is prepared to jeopardize the reputation of the force.

I have heard on a number of occasions in the past about what appeared to be similar illegal action by officers who had taken people across the line from Canada to the United States and placed them in custody on the other side without the necessary deportation order. Before a deportation order can be issued legally, a special inquiry has to be held. People are entitled to be represented by counsel, and they are entitled to appeal from the deportation order if they wish to. None of this took place. Indeed, an inquiry made by Mr. Rosenbloom of the immigration department showed that there was no deportation order on record. There was no copy of such order at Huntingdon or anywhere else.

These three men who were in Canada legally suddenly found themselves under arrest on the other side. They did not cross the border voluntarily, because within an hour, I understand, of their arrest they kicked in the back of the truck or vehicle or paddy-wagon, or whatever it was they were held in, and escaped. Two of the men were recaptured. One of them, at least as of this afternoon, was still at large and seeking, I hope, to come back to this country. This kind of behaviour by officers of the Crown, acting in whatever capacity, cannot be tolerated in a democratic country and should not be condoned by the minister concerned. I am not suggesting that he is condoning it; I am suggesting that if he does not make the necessary independent inquiry he will be, in effect, objectively condoning it.

Hon. G. J. McIlraith (Solicitor General): Mr. Speaker, the hon. member raised this question in the House of Commons this afternoon. I had anticipated he was going to raise it on Friday, but regrettably he was not here then. He had previously exchanged some correspondence with me, giving me certain information which I had investigated and replied to. He has given me certain additional information and participated in a television show last night which I did not see and, regrettably, I have not had the text of it delivered to me as yet. I told him this afternoon I would investigate this new material—I thought I made that very clear—before dealing with his point as to whether there is any need for a further inquiry of the nature he suggests.

The hon. member makes very many direct allegations. For instance, he says these men were deported from Canada. I do not know

this, but I do not believe they were. I am going to pursue that matter. In the material he supplies he refers to certain RCMP persons by numbers. The RCMP has no numbering system of any kind and there is obviously some error in his material in that respect. In any event, we have been unable to trace to whom the supplier of the information was referring in this regard. This is the kind of difficulty we still have to clear up.

The hon. member persists in talking about these men being put under arrest. The truth of the matter is that these men came and solicited information from a uniformed member of the RCMP while he was having his meal in a restaurant. This is how they came in contact—

Mr. Lewis: So they say.

Mr. McIlraith: I think they expressed their pleasure with the mounted police for their entire conduct in this contact with the Agassiz detachment.

Mr. Lewis: So the mounted police say.

An hon. Member: Listen to him.

Mr. McIlraith: I wonder whether the hon. member would be courteous and have the good manners to permit me to reply in so far as I can. I listened patiently to him, although it was difficult in respect of some of the conclusions he had jumped to without having sufficient evidence to support them. His conclusions are at least premature. I hope they will not be proven to be right, but even if they are, they are premature in view of the information he now has. Since I am limited to less than half the time he is given to make these allegations, I hope he will extend me the courtesy of allowing me to finish.

The point I am making is that we are dealing, in respect of the Bridal Falls episode—

The Acting Speaker (Mr. Béchard): Order, please. The motion to adjourn the House is now seemed to have been adopted. Accordingly, this House stands adjourned—

Mr. Lewis: On a point of order, Mr. Speaker. I did interrupt the hon. minister and I think he should be given another minute to complete his sentence.

The Acting Speaker (Mr. Béchard): That is not the practice at this late hour of the day. The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow afternoon at two o'clock.

Motion agreed to and the House adjourned at 10:30 p.m.

HOUSE OF COMMONS

Tuesday, February 10, 1970

The House met at 2 p.m.

ROUTINE PROCEEDINGS

INFORMATION

STATEMENT ON POLICY—ESTABLISHMENT OF INFORMATION CANADA

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, on November 4 I tabled the report of the task force on information which had been asked to examine federal information services and to recommend ways in which the federal government might improve its communications with the Canadian people. I now propose to outline briefly the government's plans.

The task force made 17 major recommendations. We accept those recommendations in principle, with two exceptions. Recommendation number five proposed the establishment of a citizens advisory bureau and neighbourhood councils. The government is sympathetic toward this proposal but feels it warrants further study. Recommendation number ten suggested that a government agency undertake a role as public advocate which we feel more properly belongs to Parliament.

The task force found that the information responsibilities of the federal government have not been discharged effectively despite considerable expenditure. It was our suspicion of this which moved us to ask for this task force study in the first place. As a step toward rectifying this situation we have accepted a recommendation to set up a small new unit called Information Canada which will be established at the beginning of April as part of the Department of Supply and Services. The unit will report direct to a minister. I am asking the Minister without Portfolio, the hon. member for York-Scarborough, who is already responsible for citizenship, to take responsibility for its initial planning and development in order that it might be as ready as possible for operational status at the beginning of the new fiscal year.

[*Translation*]

This organization is proposed mainly for three reasons. First, Information Canada will promote co-operation among federal information offices now operating in mutual isolation. The object will be to increase effectiveness as well as to save money by reducing duplication in the use of staff and equipment and by better joint use of the government's information resources.

A similar approach was recommended by the Glassco Royal Commission on Government Organization. We expect that co-ordination will result in more coherent information, clearer and more understandable to Canadians than it has been in the past.

The second reason for establishing information Canada is that there are many information offices in the federal government, but each now speaks for its own particular departmental concern. There is no machinery to deal with information on broad governmental concerns affecting more than one department.

The third reason is to be able to learn better the views of the Canadian people. The unit is therefore designed not merely as a vehicle for dissemination of information but to provide better systems for Canadians to make known their viewpoints to their government.

I pause at this juncture, Mr. Speaker, to emphasize that the government recognizes the fact that the primary responsibility for conveying to the government the views and attitudes of Canadians has always remained and always should remain with Members of Parliament. The capabilities of the elected representatives in these respects should be strengthened and employed; in no sense is it the government's intention to diminish the proper role of the private member in representing the views of his constituents.

To achieve these three objectives we plan an organization whose new staff, exclusive of three component units being transferred from other government agencies, will total less than 150. Of this total, which will include administrative and clerical workers, most will come from the existing public service.

Information Canada

Information Canada will have about 25 information officers whose role will be to deal with information which is outside the normal concern of any single department and to assist the departments, on request, when supplementary resources are needed for particular occasions. The rest of the staff will be engaged in such tasks as answering public enquiries, co-ordinating existing departmental information work, advising on the application of modern technology to government information organizations, providing reports on public concerns, and developing efficient reference services both for pictures and the printed word.

• (2:10 p.m.)

[*English*]

The organization will be divided into four branches—one for planning and research; one to produce and distribute information; one to gather and publish information on the views of the public; and an administrative branch. The Exhibition Commission, the still photo library of the National Film Board, and the publishing and selling functions of the Queen's Printer will be transferred to Information Canada to be components of the production and distribution branch.

The net cost of the new organization, excluding amounts being subtracted from existing departmental information budgets, will be in the order of $1 million in 1970-71. When we add the current budgets of units being incorporated, the total budget will be about $7¼ million. Information Canada will be expected to achieve economies to offset part of its own costs after it has been established and operating for some time.

In summary, Information Canada is to be a small federal information unit along the lines of the task force's proposals. Every modern government maintains an information organization, many of them more centralized or larger than the one we contemplate for Canada. But their role is generally only to produce and distribute information. Information Canada will be equally concerned with what citizens wish to say to their government. Whatever they say through opinion surveys will be public information, subject, of course, to the protection of personal privacy, all reports on public viewpoints will be made public. I believe this material will be of substantial value to all members of this House in effectively representing the Canadian people.

[Mr. Trudeau.]

We welcome the recommendation that information policy be referred to a committee of Parliament. I would go further than the task force and suggest that a parliamentary committee review not only the objectives, policies and operations of Information Canada but also the information objectives of all departments. This parliamentary scrutiny would, I think, be a healthy process, especially if the committee were to consider its role as not only a surveillance but also as the more positive task of proposing means to bring government even closer to the people.

That is the government's objective in making this announcement, and it will remain our objective as we pursue the difficult but essential task of expanding the dimensions of democratic dialogue in this nation.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, the announcement made by the Prime Minister is one of great importance. The cover design of the report of the task force which recommended the establishment of Information Canada bears an exclamation mark and a question mark. Perhaps the exclamation mark was intended to emphasize the far-reaching nature of the overhaul recommended and the question mark was intended to indicate the doubts about the recommendation that was being made.

There are several aspects of government information, of course. One of these relates to policy. The position taken by the white paper in Great Britain published in June, 1969, among others, was that the main responsibility for explaining policy to Parliament and to the public must continue to rest with the ministers.

Some hon. Members: Hear, hear.

Mr. Stanfield: This task force was not given any directions. In fact, I think it was told to keep away from the role of Parliament. Yet the task force nevertheless said, among other things, that the ministers must provide more informative answers in Parliament than has been the tradition.

Some hon. Members: Hear, hear.

Mr. Stanfield: If I may say so, Sir, we see extraordinary evasion from day to day on the part of ministers opposite. In fact, it is almost the general rule rather than the exception for ministers to answer, not questions as posed to them, but other questions they would prefer

to have been asked. So, I suggest it is nonsense for this ministry to talk about setting up elaborate information services until the Prime Minister and his ministers are prepared to discharge their fundamental responsibility of answering questions in this chamber.

Some hon. Members: Hear, hear.

Mr. Stanfield: I know there are differing views among members as to the wisdom of bringing the electronic media into this House, but it might very well have the advantage of compelling the ministers to give straightforward answers to questions that are placed before them.

The second aspect of information, of course, is that the services available to the citizen should be made known. What services are available, where they are available and how one obtains them should be known. It would seem obviously important that the citizens of the country have this information and that it be made available to them.

The task force recommended that the government assist the information services. I would have recommended that the government go further and assist existing community services that are strapped financially. It is extraordinary to me that this is one of the two recommendations made by the task force that the government has chosen not to implement. This recommendation directly relates to the knowledge the citizen has as to what services are available to him, yet it is not implemented. In spite of the impression given by the commentary of the Prime Minister, the establishment of this agency does not represent the implementation of the recommendations of the Glassco commission, which suggested a committee of co-ordination. It is a new superstructure being built within the government with regard to information services. The task force recognized at least some of the dangers inherent in the establishment of such an organization. It recognized that this could quite easily become a sort of ministry of propaganda. I say it is surely obvious that Information Canada could very easily become "manipulation Canada".

Some hon. Members: Hear, hear.

Mr. Stanfield: We must all be aware of that. The task force was sufficiently concerned with this problem that it recommended the establishment of rigid controls, but I do not find these controls when I read the report of the task force. It recommended the establishment of a parliamentary committee, but it has not been demonstrated yet in this chamber that a parliamentary committee has sufficient independent authority to really constitute a safeguard.

• (2:20 p.m.)

The task force also recommended the appointment of a sort of public ombudsman relating to information. This is the second of the two recommendations the Prime Minister has chosen not to implement. So, speaking for myself and I think for members of the House generally in this respect, we want to see co-ordination of information services; we want to see the services administered efficiently. But we want to see this co-ordination without the establishment of another layer of bureaucracy with the distinct possibility of the manipulation of public opinion. It would be difficult to exaggerate this danger.

Information Canada is to gather information as well as disseminate or propagate it. I think it is significant psychologically that, while the task force spoke of this agency gathering information about the needs of the public, the Prime Minister in his statement spoke about it gathering information about the views of the public. I think this might have been a Freudian slip.

While the Prime Minister speaks about preserving the role of the Member of Parliament, it is difficult to envisage any way in which the role of the individual member of Parliament, as the person to be consulted about the views of the people is likely to be cut down more drastically than by this centralized information-gathering service which will feed information directly to the ministry.

Some hon. Members: Hear, hear.

Mr. Stanfield: This is carrying the regional desks of the government much further. My hon. friends opposite will become mere ciphers and members on this side of the House will not be the only "nobodies" after this.

There is the question of the cost. The Prime Minister speaks about this being a small unit. Well, I suppose that is all relative—

An hon. Member: What's a million?

Mr. Stanfield: —but let me emphasize that what the public really needs so far as information is concerned is not information that the government suggests be given it. What the public really needs basically is information which the government does not want to give it.

Some hon. Members: Hear, hear.

Mr. Stanfield: To obtain this information, the public must rely basically on the opposition and an informed and energetic press, using the term "press" in the broadest sense of the word.

This is a dangerous proposal. It should not be proceeded with now. The government should try the step of co-ordination at modest expense and indeed see what savings can be made in addition to having a better service. This step should not be taken now, particularly in view of the obvious concentration of authority in the government as opposed to this House and, if I may say so, in the Prime Minister as opposed to the members of his government.

Some hon. Members: Hear, hear.

Mr. Stanfield: I say that the members of the government must answer questions and we must have solid assurance that the committees of this House really have sufficient independence to be a safeguard. There are no adequate safeguards. There is no way at the present time that the country or this Parliament could stop Information Canada from becoming "Manipulation Canada" any time the government might choose to use it.

Mr. David Lewis (York South): Mr. Speaker, I found the Prime Minister's statement a very disturbing one, both because of what it said and because of what it failed to say. It failed to tell us what information the Prime Minister is speaking about. Are we talking about providing information to the people of Canada and explaining to them the government policies, which is perfectly necessary and desirable, or are we talking about, as I suspect from the statement we have just heard, an agency to control and manage the news the Canadian people will obtain from the government? I cannot help feeling that the super organization, the establishment of which has just been announced, is mainly for the purpose of managing the news emanating from the government and, if I may put it this way, that the agency will operate as a perpetual election campaign for the party in power.

The Prime Minister said that he welcomes the establishment of a parliamentary committee to review the objectives, policies and operations of Information Canada and, not only that, but to review the policies in the various departments. I say to the Prime Minister that if this is a genuine desire, then a parliamentary committee should have been set up to discuss the objectives, policies and operations of Information Canada before that agency was formed. Before the Prime Minister made his announcement, the people who have studied this matter and have presented the plan to the government should have appeared before a committee of this House. We should have been given the opportunity to ask them questions to find out exactly what this agency is going to do. The failure of the government to bring it before a committee of the House, and the fact that it has presented us with a *fait accompli*, is precisely one of the things that makes me unhappy and suspicious of the purpose of this super organization.

No one denies that there is a need, as the Glassco report indicated, for co-ordinating the information services of the government. God alone knows that many of them are inefficient and much can be done to improve them. No one denies the need for getting rid of the duplication of staff and equipment that is now to be found in various departments of the government in connection with information services. But there is nothing in this statement that suggests there will be any reduction in the approximately $200 million now being spent on information services by the departments, only a suggestion that another $1 million will be added to what is now being spent on a super agency of the sort described.

The Prime Minister makes a great deal of the need to give the people of Canada information and to find out what they think. Permit me to say a word about each of those things. We have given him an opportunity to do that in this House. We took the government at its word that it really meant it when it said that it was in favour of full disclosure of government policies and government thinking. So, we have asked questions during the oral question period; we have placed questions on the Order Paper, and we have placed numerous motions for the production of various papers on the Order Paper of this House. When the government has asked for the production of a study made in order to assist the government to arrive at a policy, almost every time the government has refused to produce those study papers. I say to the Prime Minister that he has had the opportunity to prove to the members of the House and to the people of Canada that this government really means what it says when it talks about full disclosure of information to the people of this country and that he has failed to take advantage of that opportunity.

On the contrary, the government has refused to give the information to which members of this House are entitled and to which the people of Canada are entitled.

I cannot support the proposal of the Prime Minister until, in dealing with oral questions, written questions, and motions for the production of papers of various sorts, the government shows its good faith and its firm intention to inform the people of Canada. This it has not done until now.

• (2:30 p.m.)

What does the Prime Minister say when he speaks about expanding the dimensions of democratic dialogue in this nation? This is the last phrase in his statement, the peroration, and a fine-sounding mouthful. But what in fact is he proposing? He is proposing a super agency to carry on a Gallup poll in this country. Who will compose the questions that the people of Canada will be asked? And what bias will there be in the questions that are thus composed? How do you find out what the people of Canada want and think—by giving them pre-arranged and premanaged questions to answer? Sure, you will get the answers you want, and that I suggest is precisely what the government wants this super agency to do, to get the answers it wants from the Canadian people.

The way you should find out from the ordinary people what they want, what they need, what hurts them, what they are looking for and what their aspirations are is for Members of Parliament to meet with them in their constituencies, and to listen to them, rather than by asking them pre-arranged questions and getting predetermined answers.

So, Mr. Speaker, in my view and in the view of my colleagues the proposal for Information Canada is another regrettable sham in the alleged participatory democracy about which the Prime Minister, in particular, and other members of his party talk. It is utterly regrettable that we should have before us another super agency, costing more money, doing nothing that is not already being done, except acting as an agency for controlling and managing the news that is to come out of the government. The only purpose is to befuddle, deceive and mislead the people; it is not to inform them.

[*Translation*]

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, we have carefully listened to the statement made by the Prime Minister (Mr. Trudeau) to the effect that the task force made 17 important recommendations which the government accepts in principle, with two exceptions.

The Prime Minister went on to say:

> The task force found that the information responsibilities of federal governments have not been discharged effectively despite considerable expenditure.

Mr. Speaker, if the government is short of information it has only itself to blame. I think that, as one can read in a paragraph of his statement, the federal members of Parliament, whatever their political affiliation, convey information to the government. However, as was mentioned earlier by the Leader of the Opposition (Mr. Stanfield), we are getting from the Prime Minister and the other members of the Cabinet arrogant answers to our questions although they are of general interest. They do not have the courage to give reasonable replies.

That is the first finding the task force should have reached in its study. As a matter of fact, if the government refuses to give us sensible answers, what will be the use of information services? They will be used mainly to find jobs for friends of the government, party stalwarts, and for political scheming.

Mr. Speaker, the Prime Minister also said:

> A similar approach was recommended by the Glassco Royal Commission on Government Organization. We expect that co-ordination will result in more coherent information, clearer and more understandable to Canadians than it has in the past.

The machinery does exist, even though the Prime Minister stated:

> There is no machinery to deal with information on broad governmental concerns affecting more than one department.

Mr. Speaker, we have an information agency that costs us a fortune, the CBC, which, instead of keeping the government aware of public opinion, or the public aware of government action, spends some $186 million yearly to support tourists who are traipsing in Viet Nam, Belgium, Biafra and Nigeria. The CBC forgets to tell us what is going on in Canada, yet so-called officials generously paid by the Canadian people travel around the world.

Mr. Speaker, the CBC radio network should devote one hour a week to report on the activities of Parliament so that the public will know what is happening in Ottawa. But no, sir! Every two or three months, we are allowed six minutes and fifty seconds on *The Nation's Business* in order to keep people

informed, while three quarters of the news heard on *The National* deal with foreign subjects. This is how they forget to tell the Canadian people what is going on in their own country.

Mr. Speaker, we should use the media available to us. Each week, the CBC should put aside one hour's broadcasting time and divide it equally among the four federal political parties. We could then inform the people of what goes on in the House and we might even grant to the public an additional hour of broadcasting time to enlighten Parliament on public opinion. But the government is taking no steps in that direction. We are ill informed by the government's fault and Information Canada will not remedy the situation if we continue with the same methods.

Mr. Speaker, the Prime Minister said:

—the primary responsibility for conveying to the government the views and attitudes of Canadians has always remained and always should remain with members of Parliament.

If it remains with Parliament, let us start by respecting the members of Parliament who have representations and suggestions to offer the government.

Mr. Speaker, I feel that Information Canada will become a propaganda agency for the government, and this offers some danger. Organizations like the CBC should serve to inform the public and the government.

A few minutes ago, I suggested that one hour per week be put at the disposal of the political parties and not 6 minutes and 50 seconds every two months, whereas one hour is allotted to Robert Charlebois, who keeps cursing while he is on. Since all kinds of European socialists and communists are invited as guests on CBC programs, should not this federal agency serve the needs of the people who pay its operation costs?

Let us ask the CBC to respect not only the government but also the Canadian parliament, which actually represents the population. That organization could work as a link between the public, that is the people we represent, and the duties we have assumed towards them.

[*English*]

AGRICULTURE

STATEMENT ON FURTHER REPORTS BY BARBER COMMISSION ON FARM MACHINERY

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, to ensure that there may be no misunderstanding, I wish to clarify the timing

[Mr. Caouette.]

of the presentation of the report of the Royal Commission on Farm Machinery to which I referred in my reply to the hon. member for Lisgar in *Hansard* of February 5, page 3236. The findings of the commissioner dealing with costs and arrangements in respect of services and repair parts will not be the subject of a separate report but will be dealt with in the commissioner's final report expected during the late summer.

In so far as combine prices are concerned, this matter was dealt with on pages 30 and 32 of the Special Report on Prices of Tractors and Combines in Canada and Other Countries, which was tabled on January 16.

There is a further study, which I inadvertently referred to as a report, being prepared for the commission on farmers' attitudes to farm machinery purchases, which will be released by the commission within the next few days. Hon. members will be aware that these studies prepared for the commission are listed on the daily check lists they receive from the Queen's Printer and can be secured from this source.

• (2:40 p.m.)

Mr. H. W. Danforth (Kent-Essex): Mr. Speaker, the statement made by the minister today in his amiable and frank fashion is not quite as innocent as it may appear to be. It is, Mr. Speaker, a sad admission on the part of the government that after years of investigation and the expenditure of millions of dollars the government has not yet reached any conclusion or formed any policies with regard to what action to take on a problem that has caused a great deal of concern both to the farmers and machinery dealers of this nation.

Mr. Baldwin: What else is new?

Mr. Danforth: What this statement does, Mr. Speaker, is in effect to buy still more time for the government at a terrible cost to the farmers of this nation.

Mr. Baldwin: And to the taxpayers.

Mr. Danforth: The minister stated that the final report is not expected until the late summer. This simply means that one more season will have passed and the government will have done nothing. There is no excuse for this lack of action, Mr. Speaker, especially in view of the fact that over a year ago at an agricultural congress called by this same government enough of the facts were reported by the commissioner to indicate in no uncertain

terms that the farmers of this country were indeed paying more for their machinery than farmers of other nations.

Some hon. Members: Hear, hear.

Mr. Danforth: In the concluding paragraph of his statement the minister indicates that a further study is being prepared by the commission on farmers' attitudes to farm machinery purchases and that it will not be available for a few days.

Mr. Baldwin: Why not wait for Information Canada?

Mr. Danforth: Knowing the attitude of the rugged individualists who have to face the problems of farming in this nation and being quite aware of the procrastinations of this government, I am sure that the reason for the delay is the editing out of four-letter words before this report is processed through the normal channels.

Some hon. Members: Hear, hear.

An hon. Member: Back to funny money.

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, I appreciate the fact that the minister wanted to put on record the program of the Barber commission. As the previous speaker said, it has been a fairly long drawn-out affair. But what we are really interested in knowing now is what action the government is prepared to take in an extremely difficult situation.

Any farmer knows that it is going to be difficult to bring these problems under control. The farmers' attitude toward machinery purchases is that they are costing too much and interest rates are too high. One company, as has already been stated in the House, is laying off workers in Canada while continuing its work program in the United States.

It is fine to speak of bringing machinery in from overseas, but who will deliver it? The activities of Canadian Co-operative Implements Limited in western Canada, which has a distribution system and has been importing machines from Europe for many years, have been ignored by the commission up to now. I see the minister does not agree. However, I saw no recommendation that it should be actively used. In the *Western Producer* of January 29 there is a headline, "Failed to Advise Farmer to Use Co-op Implements". That is the opinion expressed in that newspaper.

Some hon. Members: Shame!

Mr. Gleave: If we are to import machines from overseas somebody has to deliver them, service them and repair them. This is basic, and I say this is the first order of business that must be dealt with by the government if it is going to meet the problem that now exists. I say to the government: If you want to correct this situation, go to CCIL, go to the farm organizations in Ontario and tell them that you are ready to help them to do the job that has to be done on behalf of the farmer. This is the order of business before the government now, Mr. Speaker.

[*Translation*]

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, first of all, I would like to thank the minister for the explanations he has given us in his very short statement on the report of the Royal Commission on Farm Machinery. My comments will be as brief as his statement.

As for the maintenance and cost of spare parts of farm machinery and the arrangements in respect of them, they will not be dealt with in a separate report but will be part of the final report of the Commission to be published by the end of the summer. This is an unfortunate situation, because the farmers will be victims for another production season.

I agree completely with the remarks of my colleague the hon. member for Saskatoon-Biggar (Mr. Gleave) about the delay in the shipping of spare parts for machines that do not work and the necessity of renting other machines to perform farm operations on time.

I sincerely hope that the business of the committee will proceed more quickly and that steps will be taken to relieve the burden of farmers who must incur extraordinary expenditures to till their lands, in order to feed mankind.

Before concluding my remarks, I should like to point out that the Minister of Agriculture (Mr. Olson) inadvertently spoke about reports when he meant studies. I hope he will not mind if I say that I hope it was inadvertently also that he answered in the negative the question I put to him yesterday. I asked him then whether he would be ready to recommend that the budget of the Canadian Dairy Commission be not reduced by $10 million for the dairy year 1970-71. I hope that next week, he will state that he answered inadvertently. We could then say: if the price of spare parts is not reduced and if

the report is not published on time, at least this amount of $10 million will be some compensation.

[*English*]

POLLUTION

CONTROL OF TANKERS—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION UNDER S.O. 43

Mr. Randolph Harding (Kootenay West): Mr. Speaker, in view of the seriousness of the pollution problem that has resulted from the foundering of the Liberian tanker *Arrow*, I ask unanimous consent of the House, under the provisions of Standing Order 43, to make the following motion, which is seconded by the hon. member for Battleford-Kindersley:

That the question of maritime oil pollution and control of tankers in Canadian waters be referred to Standing Committee on Transport and Communications.

Our party would be quite prepared for this motion to be passed without debate, Mr. Speaker.

Mr. Speaker: Hon. members will know that this motion can be put to the House only if there is unanimous consent.

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimous agreement so the motion cannot be put.

Mr. Korchinski: On a point of order, Mr. Speaker—

Mr. Speaker: The hon. member for Mackenzie.

Mr. Korchinski: Mr. Speaker, I rise on this occasion because this appears to be the first opportunity that the Minister without Portfolio in charge of the Wheat Board, who has been away on an official trip, has had to present a report. He may require more time to prepare a report, but it is customary for a minister, after being away, to present a report.

Mr. Speaker: It is not customary to raise such points as a point of order.

ORAL QUESTION PERIOD

POLLUTION

CHEDABUCTO BAY—DEVELOPMENTS FOLLOWING GROUNDING OF TANKER "ARROW"

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to ask the Minister of Transport whether he could indicate briefly what the position is with regard to the *Arrow*, particularly with regard to any progress made in disposing of the stern part of the vessel by hauling it away. I should also like to ask whether any progress has been made in freeing the forward part and whether any consideration is being given to disposing of it in the same way. If not, what progress is being made with regard to the burning of the oil?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I will try to be as brief as possible. With regard to the stern section of the vessel, which, as I explained yesterday, is still afloat, there is now an effort under way to get it more buoyant so it will be possible to tow. As is the case now, with so much oil—I am not sure if this is a contradiction in terms—in the forward part of the stern, it is not possible to tow it. If the current assessment of it is correct, it appears possible it can stay afloat sufficiently for the oil to be pumped out of it into another vessel, so there will not be a disposal problem in the other sense of the word with regard to the stern section.

In so far as the forward section is concerned, there is no chance whatever of salvage in the sense of moving it off the rock.

A controlled experiment was conducted yesterday with burning. This was with the use of glass pellets and benzine and also using magnesium flares and divers to get the whole business alight. This has proved successful and it is now our intention to proceed with this but letting the oil out in controlled quantities for burning so that the conflagration will not at any time be so great that the smoke problem might constitute a pollution hazard of another kind. I hope that satisfies the hon. member.

Mr. Stanfield: A supplementary question, Mr. Speaker. Is the minister telling the House that the leakage is now under control with regard to both sections of the vessel?

Mr. Jamieson: No, sir. I wish that were the case, but it is not the case. In the case of the stern, I think it can be said it is very close to being under control. In the case of the forward section there is still seepage. While the winds were off shore this slick was of course moving off. I believe the forecasts are for a low pressure system moving up the coast. If that comes in the normal fashion it will result in probable southwesterly and southeasterly winds. These could drive some of the slick on

shore. I would not want to indicate that the matter is under control. It is not. There could be some coastal pollution as a result, but the burning will go ahead as rapidly as possible and as rapidly as weather conditions permit.

Mr. Randolph Harding (Kootenay West): A supplementary question, Mr. Speaker. Who assesses the damage to Canadian interests and is an assessment already under way?

Mr. Jamieson: I suppose, Mr. Speaker, in so far as the assessment is concerned it is pretty damned obvious. In terms of the value of the assessment, this will have to come after the total damage is assessable. At the present time the main job is to get rid of as much of the oil as we possibly can.

Mr. Robert McCleave (Halifax-East Hants): May I direct a supplementary question to the Minister of Transport. In light of this tragedy and in light of possible tragedies involving other parts of the Canadian coastline, is the department re-examining its policy regarding navigational safeguards along our coast?

Mr. Jamieson: Mr. Speaker, I do not believe it is necessary to re-examine the policy. It appears to have been adequate for the conditions which prevailed up until recent times. We may have now not only to put in additional navigational aids in view of the additional hazards; we may have to introduce more stringent regulations with regard to the passage of oil either into Canadian ports or through Canadian waters. This is being re-examined. The investigation of this particular incident hopefully will give us some indication as to how we might be able to prevent such incidents in future but, as my hon. friend knows, shipwrecks do occur and it is not possible to eliminate them entirely.

Mr. Louis-Roland Comeau (South Western Nova): A supplementary question to the Minister of Transport. When can we expect the new international regulations controlling situations such as this?

Mr. Jamieson: I answered that in the House a few days ago. We have taken initiatives in this regard, but so far there has not been an international agreement. I feel that internationally we are making more progress with regard to rights of way and the like to try to avoid collisions at sea, but on the matter of indemnity or financial responsibility I fear that some time must elapse before we get international agreement on that count.

CHEDABUCTO BAY—EFFECT OF OIL ON MARINE LIFE—COMPENSATION TO FISHERMEN

Mr. Paul St. Pierre (Coast Chilcotin): I have a supplementary question for the Minister of Fisheries. Is the Fisheries Research Board taking advantage of this opportunity to study the effects of this oil pollution on marine life in the Chedabucto Bay area?

Hon. Jack Davis (Minister of Fisheries): I believe this is the case, Mr. Speaker.

Mr. Lloyd R. Crouse (South Shore): A supplementary question to the Minister of Fisheries. If damage to the fisheries resources in that area is determined by the minister's officials, what action will be taken by his department to recompense the affected fishermen for the losses that will occur?

Mr. Davis: Mr. Speaker, we have already taken action with regard to phosphates in Newfoundland and mercury on the Prairies, and I am sure we can take parallel action in this case if necessary.

Mr. James A. McGrath (St. John's East): A supplementary question, Mr. Speaker. Does the minister have patrol vessels of his department in the area to determine the course of the oil slick in the event it does go out to sea?

Mr. Davis: The answer is yes, Mr. Speaker.

OIL

FEASIBILITY STUDY OF PIPELINE FOR TRANSPORT FROM ARCTIC

Mr. Steven E. Paproski (Edmonton Centre): I wish to direct a question to the Minister of Energy, Mines and Resources. In view of the pollution dangers in oil tanker transportation, is the government taking the initiative by commencing a feasibility study of the transportation of oil from the Arctic by pipeline?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, there are several studies going on with respect to the possibility of transportation by pipeline from the Arctic. Certainly this is one of the more attractive features of such a method of transportation. Apart from factors that are not known in regard to pipeline transportation, certainly it would appear that it would avoid the danger of offshore spillage such as occurred in the case of the *Arrow*.

Mr. Paproski: I do not believe the minister has answered my question. I just want to know if the government is doing any feasibility studies.

Inquiries of the Ministry

Mr. Eldon M. Woolliams (Calgary North): A supplementary question. As the government is in partnership in the Panarctic syndicate, is the government prepared to go into a syndicate of a similar nature for the building of pipelines either from the Arctic or Montreal for the transportation of crude petroleum in Canada?

Mr. Greene: There is no decision in that regard at this time, Mr. Speaker.

GRAIN

WHEAT—POSSIBILITY OF INCREASED EXPORTS TO BRITAIN AND WESTERN EUROPE

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, I wish to direct my question to the Minister without Portfolio in charge of the Wheat Board. In view of reports that the minister during his London meeting discussed volume of production and possible changes in the grading and marketing of western Canadian grains, is he in a position to advise the House as to the possibility of increased exports of grain to Britain and western Europe?

Hon. Otto E. Lang (Minister without Portfolio): Mr. Speaker, I did have very interesting discussions in Britain with some of our principal buyers. I was very pleased to receive their opinion and the opinion of the government that a place for Canadian grain in the United Kingdom is assured at high levels whether the United Kingdom remains in its present position or becomes a member of the EEC.

Mr. Gleave: A supplementary question. Will the minister be prepared at an early date to make a statement in the House on two matters which are currently being discussed in western Canada, (a) the possibility of an acreage payment and (b) possible changes in the grading system for wheat?

Mr. Lang: Mr. Speaker, a good number of questions are under consideration by the government and by my colleague, the Minister of Agriculture. Progress is being made on a number of fronts with regard to the grain situation in western Canada. I would not suggest that I will be making a statement at an early date on either of the subjects mentioned, although certainly other matters may well require statements in the near future.

Hon. Robert L. Stanfield (Leader of the Opposition): I wish to ask the minister how he can make the statement that an important place for Canadian wheat will be assured in the British market whether or not Britain changes its status. How can the minister make such a statement when he has not got the slightest idea of the terms under which Britain might enter the Common Market?

Mr. Speaker: Order, please. The supplementary question appears to be argumentative.

WHEAT—STATEMENT RESPECTING REDUCED PRODUCTION—FINANCIAL INCENTIVE TO FARMERS

Right Hon. J. G. Diefenbaker (Prince Albert): Having regard to the statements reportedly made by the minister to the press in London, may I ask the hon. gentleman whether he is in a position to say that the attitude of the government toward the tremendous pile-up of wheat—over a billion bushels—means in the next few years a substantial reduction, up to ten million acres, in the amount of land now under wheat or other cereals? Did he say when he was over there that the government was giving consideration to paying farmers for getting out of production?

Hon. Otto E. Lang (Minister without Portfolio): No, Mr. Speaker, I did not say that. What I did say there, and what I have said before in Canada, is that the very great supply of grain represents an extremely costly burden if it is in supply above what is economically desirable, and that this is a burden which it is not appropriate for the farmers to bear; accordingly, methods must be found to avoid having the farmers in the prairie region, particularly, carry this excessive burden especially in circumstances where, due to the world situation, they are not in a position to spend any money unnecessarily on meeting costs of this kind.

Mr. Diefenbaker: Did the minister explain while he was over there, or can he explain to the House now, how it came about that in the last one and a half or two years Canada's share of the international export market has fallen from 28 per cent to 17 per cent while other nations have increased their sales?

Mr. Speaker: Order, please. The right hon. member's question is in the form of an argument. The hon. member for Assiniboia.

Mr. A. B. Douglas (Assiniboia): Will the minister in charge of the Wheat Board make a statement soon—

Mr. Diefenbaker: Mr. Speaker, I have been in the House for some time, and I should appreciate very much knowing what was wrong with that question respecting a matter which affects western Canada.

Some hon. Members: Order.

Mr. Diefenbaker: While I am speaking on wheat problems I hope I am entitled at least to the respect of silence on the part of those on the government benches who know nothing about this subject.

Some hon. Members: Oh, oh!

Some hon. Members: Hear, hear.

Mr. Speaker: I have expressed the opinion that the right hon. member's question was posed in an argumentative way. That is a matter of opinion. The right hon. member may not think the question was an argument. The Chair has to make a ruling on such matters.

Mr. Diefenbaker: It is a fact.

Mr. Speaker: If the right hon. gentleman suggests he was stating fact I would put it to him that a statement of fact, if it is put to the minister in an argumentative way, is not acceptable as a question from a procedural standpoint.

Mr. Diefenbaker: May I rephrase my question, then? Is it a fact that Canada's share of the export market in the two and a half years during which this administration has been in office has fallen—

Mr. Speaker: Order, please. I have to sustain the ruling I made a few moments ago.

Mr. Douglas (Assiniboia): Before I ask my supplementary question, Mr. Speaker, may I point out that the right hon. member for Prince Albert interrupted me.

Some hon. Members: Oh, oh!

An hon. Member: Too bad.

Mr. Douglas (Assiniboia): Will the minister make a statement soon on motions with regard to the proposed changes in the quota system?

Mr. Lang: As hon. members know, a committee is presently studying this question and there is an early deadline for the submission of its report. I would expect before too long to be in a position to give consideration to the results of these studies and the general direction in which government policy may be going with regard to the quota system for the next crop year.

EMERGENCY PAYMENTS IN LIEU OF FINAL WHEAT BOARD PAYMENTS

Mr. R. R. Southam (Qu'Appelle-Moose Mountain): I have a supplementary or related question for the Minister without Portfolio. In light of his recent public statement that no final payments for grain will be forthcoming this spring from the Wheat Board pool accounts, can the minister tell us whether the government intends to make a substantial emergency payment in lieu of the lack of final Wheat Board payments in order to tide western farmers over their very serious economic plight?

Hon. Otto E. Lang (Minister without Portfolio): There is nothing further to report on that issue. The question of the cash position of western farmers is, of course, very much in our minds at all times.

Mr. Speaker: The hon. member for Lambton-Kent—a supplementary question?

Mr. McCutcheon: I am sorry, Mr. Speaker. Mine is not a supplementary question; I do not want to ask about wheat.

Some hon. Members: Hear, hear.

WHEAT—REDUCTION OF ACREAGE BY OTHER COUNTRIES

Mr. S. J. Korchinski (Mackenzie): In view of the fact that sales to Britain have fallen from 80 million bushels to 50 million bushels, and since Canada's percentage of world trade has declined to the extent mentioned by my right hon. friend from Prince Albert, may I ask whether the minister consulted with other producing countries to ascertain whether they, too, will be reducing their acreage or whether, in addition to decreasing our acreage, we shall lose our share of the market?

Hon. Otto E. Lang (Minister without Portfolio): We shall discuss this issue, as we have been discussing pricing issues, with other countries. There is no doubt at all that Canada's wheat sales did suffer from the fact that for about a year and a half we were doing everything we could to bring in the International Grains Arrangement which would have meant so much to western farmers. That, in brief, is the reason our sales to

Britain were lower last year. This was certainly clear to the people in Britain with whom I spoke last week.

[*Translation*]

CANADIAN SOVEREIGNTY

USE OF UNITED STATES ICE-BREAKERS IN WATERS ADJACENT TO CANADIAN TERRITORY

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I want to put a question to the Prime Minister.

In view of the report we had to the effect that the U.S. government has increased its budget by 40 per cent under the item related to the construction of ice-breakers and that Admiral Trimble refers to "waters contiguous to the Canadian territory" rather than to "Canadian waters", I should like to ask the Prime Minister whether he intends to take up this problem with the U.S. government and to have our sovereignty over Canadian Arctic waters respected?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I do not think that I can have much say in the U.S. government decision to allocate a certain amount for the construction of ice-breakers. As far as I am concerned, far from being disappointed, I am glad that Admiral Trimble refers to "waters in general" rather than to ours. It is quite clear that Canadian waters are ours, but if the Americans want to clear ice on the high seas they are, of course, free to do so.

Mr. Laprise: Mr. Speaker, I wish to ask a supplementary question. I would like to draw the attention of the Prime Minister to the fact that Admiral Trimble neither said "waters in general" nor "Canadian waters", but that he really said "waters contiguous to" the Canadian territory in the Arctic.

[*English*]

ASSERTION OF CONTROL OVER ARCTIC AREA

Mr. W. B. Nesbitt (Oxford): I should like to direct a supplementary question to the President of the Privy Council. Will the government give immediate priority to presenting to this House legislation which it has promised for this session and which, allegedly, will reaffirm and reassert our complete sovereignty over the Canadian Arctic area? I ask this question for the same reasons as prompted the hon. member for Abitibi—

Mr. Speaker: Order. The hon. member has a right to ask a question but not to indicate why he is asking it.

[Mr. Lang.]

Hon. Donald S. Macdonald (President of the Privy Council): Legislation related to this subject will be coming forward in due course as indicated to the House.

Mr. Nesbitt: Perhaps the President of the Privy Council did not hear the question. Will he give immediate priority to this legislation in the light of what is going on in Congress? They are not building these icebreakers for the Caribbean.

Some hon. Members: Oh, oh!

Mr. Macdonald (Rosedale): Perhaps the hon. member did not hear the answer. Maybe someone would read it to him tomorrow.

INDUSTRY

URANIUM—DISCONTINUANCE OF STOCKPILING

Mr. Maurice Foster (Algoma): My question is directed to the Minister of Energy, Mines and Resources. In view of the recent massive sale of Canadian uranium to Japan, would the minister tell us whether Canadian stockpiling of uranium is to be discontinued?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Any announcements in respect of the stockpiling program will be made in this House in the normal course.

THE CANADIAN ECONOMY

REQUEST BY PRICES AND INCOMES COMMISSION TO MANUFACTURERS RESPECTING COST AND PRICE INCREASES

Hon. George Hees (Prince Edward-Hastings): I have a question I should like to direct to the Prime Minister. Is the Prices and Incomes Commission asking those who sell products in Canada to absorb part of their increases in costs or simply not to increase their prices by more than their increases in costs?

Right Hon. P. E. Trudeau (Prime Minister): At this stage the government is not asking those companies for anything for Information Canada—

Some hon. Members: Oh, oh!

An hon. Member: You are thinking about it.

Mr. Trudeau: We will, we will.

Some hon. Members: Oh, oh!

Mr. Trudeau: The Prices and Incomes Commission is meeting with these representatives

now and I am waiting for a report on the meeting, as the hon. member may be.

Mr. Hees: A supplementary question. There was great confusion about the matter up until at least lunch time today, and this is the key to the whole conference. Does the government not think it had better make up its mind on this issue—

Mr. Speaker: Order, please.

Mr. Hees: —so that the conference does not fall flat on its face?

Mr. Speaker: Order.

INFORMATION CANADA

METHOD OF ESTABLISHING AGENCY

Mr. David Lewis (York South): Mr. Speaker, in view of the Prime Ministers' remark, I am not sure whether I should direct my question to him or to Information Canada. On this question of Information Canada, may I ask the Prime Minister whether it is his intention to establish the agency by Order in Council, by legislation, or will there be an item in the estimates with regard to this agency? May I also ask when the Prime Minister will announce who will be the head of the agency?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, with regard to the first question, there will be a special item in the Appropriation Act. A special item will appear in the estimates which I believe will be tabled tomorrow.

With regard to the second question, I did discuss with the minister who has been appointed to plan for the agency what is the next step in the selection of the head of Information Canada.

Mr. Lewis: A supplementary question.

Mr. Diefenbaker: A supplementary question.

Mr. Speaker: Order, please. I note there are perhaps 10 or 12 members who are seemingly anxious to ask supplementary questions. Perhaps we should have a special question period for this subject. For the moment the Chair will recognize the hon. member for York South.

Mr. Lewis: Who is the head of the section that has been doing the planning and presumably assisting the Prime Minister in his presentation of policy today? Who is the head of that section now?

Mr. Trudeau: Mr. Speaker, there have been a group of officials, I believe Privy Council officials, who have been working for some time to bring the policy to a head.

STATUS OF QUEEN'S PRINTER

Right Hon. J. G. Diefenbaker (Prince Albert): A supplementary question, Mr. Speaker. In view of the fact that Information Canada is to be established under an item in the estimates, might I ask the Prime Minister whether the designation, description or appellation of Queen's Printer and the actual office of Queen's Printer will remain?

Right Hon. P. E. Trudeau (Prime Minister): I hope it will remain for a while, Mr. Speaker.

Some hon. Members: Oh, oh!

Mr. Diefenbaker: The Prime Minister says for a while. That kind of answer may sound a very happy one, but what does the Prime Minister mean by it? Does he mean that it will be removed surreptitiously in the same way the Queen's designation has been removed elsewhere?

METHOD OF DISSEMINATING NEWS

Mr. A. D. Hales (Wellington): A supplementary question to the Prime Minister. To which minister of the cabinet should we address our questions concerning Information Canada, and will the dissemination of news be by the printed word or through the medium of television and radio?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, in my statement I did say that the minister responsible would be the Minister without Portfolio from York-Scarborough.

FUNCTION OF NATIONAL FILM BOARD

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, I have a supplementary question in connection not with the Queen's Printer but with the other agency mentioned by the Prime Minister in his statement, the National Film Board. Were the National Film Board and its commissioner informed as to its function in Information Canada before the Prime Minister made his statement today?

Right Hon. P. E. Trudeau (Prime Minister): Yes, Mr. Speaker, the minister responsible for the Film Board is well aware of the decision that has been announced today.

Mr. Nowlan: Mr. Speaker, my question was very clear and it was this. Was the commis-

sioner of the Film Board informed by the government of its function in Information Canada before the Prime Minister's statement today, and is this the beginning of the end of the National Film Board?

HOUSING

INTRODUCTION OF REVISED RENT-TO-INCOME SCALE

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, my question is directed to the Minister without Portfolio in charge of housing. In view of objections expressed by the Ontario government, is the minister considering abandoning his Canada-wide revised rent-to-income scale for public housing?

Hon. Robert K. Andras (Minister without Portfolio): Mr. Speaker, I suppose this question stems from an article in the *Globe and Mail* this morning which was quite romantic but not necessarily based on fact.

Mrs. MacInnis: A supplementary question. May I inquire when we may expect a statement from the minister on the revised rent-to-income scale?

Mr. Andras: Soon, Mr. Speaker.

[*Translation*]

THE CANADIAN ECONOMY

INFLATION—EFFECTS OF AUSTERITY PROGRAM

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I wish to direct a question to the Prime Minister.

On several occasions while he was talking about inflation, the Prime Minister has stated that he will force British Columbia, Alberta and Ontario to slow down their present prosperity, and I would like to ask him if he can tell us why he intends to slow down progress instead of pushing forward those who are now vegetating in the other provinces?

Mr. Speaker: I would suggest to the hon. member that his question is argumentative and is therefore not acceptable.

[*English*]

INQUIRY OF THE MINISTRY

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I want to ask a question of the Minister of Justice in view of his statement last evening that there is a two and a half year backlog of cases in Toronto. Since there is a backlog at the present time in the province of Alberta, and since he has been sitting on the question of appointing further judges, if he has no Liberals to appoint will he appoint a few Tories?

Mr. Speaker: Order, please.

TRANSPORT

ABANDONING OF ARCTIC METEOROLOGICAL SERVICES BY UNITED STATES

Mr. Robert Muir (Cape Breton-The Sydneys): Mr. Speaker, my question is for the Minister of Transport. Has the minister received any indication from United States authorities that they will be abandoning their meteorological services in the Arctic?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I have not had any definitive report on this. Rather than give a casual answer, may I take the question as notice and I will try to get a more definite answer for the hon. member tomorrow.

FISHERIES

ACTION RESPECTING DEPLETION OF RESOURCES BY FOREIGN FISHERMEN

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I wish to direct a question to the Minister of Fisheries and Forestry. In view of his statement in Montreal that the Soviet Union and Poland are depleting Canada's fishery resources, what steps has the government taken to bring this matter before an international panel of experts at the United Nations, and what steps will be taken to call immediately an international conference on this problem which is of vital economic importance to Atlantic Canada?

Hon. Jack Davis (Minister of Fisheries and Forestry): Mr. Speaker, this matter is of great concern to all nations fishing the North Atlantic and has been repeatedly brought before the International Commission for the North Atlantic Fisheries. The matter was reviewed again in the spring. A few days ago an announcement was made about a joint arrangement with respect to one specific area of the North Atlantic—Georges Bank.

Mr. Louis-Roland Comeau (South Western Nova): Mr. Speaker, I have a supplementary question. With respect to the news release issued yesterday and mentioned by the minister in regard to the elimination of 15 nations

to protect haddock stocks, does the department plan to patrol this area to make sure that these nations are not fishing? If they are fishing for other species, does the department plan to check these vessels to guard against cheating?

Mr. Davis: Mr. Speaker, we are checking, but the waters we are talking about extend far out into the Atlantic and are in very large measure international waters that are covered by international law. All we can do is to reach agreements with a number of other nations.

Mr. Comeau: A further supplementary.

Mr. Speaker: Order. I have to bring to the attention of hon. members the fact that we will shortly be running out of time. I therefore invite their co-operation in limiting the number of supplementaries.

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, a supplementary question. Has the minister's department made representations in regard to this matter to Russia, Poland and East Germany and, if so, with what result?

Mr. Davis: Mr. Speaker, representations are made through the International Commission for the North Atlantic Fisheries.

Mr. James A. McGrath (St. John's East): I have a supplementary question, Mr. Speaker. Has the government given consideration to having bilateral talks with the Soviet Union since it is experiencing the same problem with Japan in the Pacific?

Mr. Davis: No, Mr. Speaker. We are working through this international body which I think can bring pressure to bear on the Soviet Union and other countries from many quarters.

OIL

U.S. TASK FORCE RECOMMENDATIONS REGARDING IMPORTS—CANADIAN REPRESENTATIONS

Mr. Max Saltsman (Waterloo): Mr. Speaker, I should like to direct my question to the Minister of Energy, Mines and Resources. Now that President Nixon's cabinet task force has submitted its recommendations to the President regarding crude oil imports, can the minister say whether his department has studied the effect these recommendations will have on Canadian crude oil exports and, if so, is it his intention to make the Canadian government's views known to the President of the United States?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, we made our position known to the Schultz committee during the period of their deliberations. The report of the Schultz committee is before the President now but it has not been made public to date. Certainly upon its publication we will continue to make our position known and to negotiate with the United States to achieve the best possible position for Canada in the United States oil markets.

Mr. Saltsman: Has the United States government made the Schultz committee report available to the minister so he can study it with a view to ascertaining its effect on Canadian exports?

Mr. Greene: No, Mr. Speaker. It is a report from a presidential committee to the President and it has not yet been made available to us or to the public.

TRADE

SALE OF REACTOR PLANT TO ROUMANIA

Mr. Rod Thomson (Battleford-Kindersley): Mr. Speaker, I have a question for the Minister of Industry, Trade and Commerce. Will he say whether the government has been successful in making a sale of a Canadian reactor plant to Roumania?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): I understand this sale is under discussion, Mr. Speaker.

[*Translation*]

AGRICULTURE

SALE AND UTILIZATION OF CEREAL GRAIN

Mr. Roland Godin (Portneuf): Mr. Speaker, I have a question for the Minister of Agriculture.

Considering that the government is now carrying out some costly research projects in order to use poplar wood as feed, could the Minister of Agriculture tell the House whether he is considering the sale and the use of Canadian grain the quality of which is undisputed?

Mr. Speaker: It seems to me that this is a very general question. However, the minister may wish to answer it.

Inquiries of the Ministry

[*English*]

Hon. H. A. Olson (Minister of Agriculture): I am sorry but the latter part of the translation did not come through. Would the hon. member mind repeating that part of the question?

[*Translation*]

Mr. Godin: Mr. Speaker, would the Minister of Agriculture tell the House if he intends to consider further the use of Canadian grain whose quality is undisputed?

[*English*]

Mr. Speaker: Perhaps the minister might reflect on the question for a moment and the Chair will recognize him later.

[*Translation*]

AIRPORTS

STE. SCHOLASTIQUE—ESTABLISHMENT OF CO-ORDINATING COMMITTEE

Hon. Martial Asselin (Charlevoix): Mr. Speaker, I should like to put a question to the Minister of Transport.

Has the government taken any decision concerning the Quebec government's request to establish a federal-provincial committee, at the ministerial level, in order to co-ordinate the planning and the development of the new airport at Ste. Scholastique and the neighbouring areas? If so, would the minister inform the House of this decision?

[*English*]

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, there has been no formal committee established. As I indicated a few days ago, there have been a number of discussions both at the ministerial level and among officials. This may very well lead to the establishment of such a committee, but it has not been formalized to date.

[*Translation*]

Mr. Asselin: Mr. Speaker, I have a supplementary question.

Does the minister intend to set up a similar committee at the ministerial level with respect to the development of the Toronto international airport?

[*English*]

Mr. Jamieson: It is quite possible that we may use the same technique in the case of Toronto, Mr. Speaker, but in both cases, as I said, the matter has not reached that stage yet.

[Mr. Speaker.]

POLLUTION

CHEDABUCTO BAY—SAFETY OF DISPERSANT, COREXIT

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to ask the Minister of Transport whether he can assure the House that the dispersant being used in Chedabucto Bay, which I think is called Corexit, is in fact safer to the environment there than the oil itself would be?

Hon. Donald C. Jamieson (Minister of Transport): Of course, Mr. Speaker, I cannot speak from personal knowledge on this matter. I have been assured, however, by people who presumably are experts on the matter that Corexit is, so far as is known, reasonably non-toxic in terms of marine life. As to its relative value or demerit in relation to the oil, I think it is probably the case that it is not as harmful certainly as the oil.

NATIONAL DEFENCE

INTEGRATION OF DEPARTMENTAL MARINE SERVICES INTO ARMED FORCES

Hon. J. A. MacLean (Malpeque): Mr. Speaker, I should like to direct a question to the Minister of National Defence. Since there apparently is a committee appointed by the government to study the possibility of integrating all departmental marine services under the Canadian Armed Forces, will the minister assure the House that before any recommendations are implemented they will be referred for study to the Standing Committee on External Affairs and National Defence?

Hon. Léo Cadieux (Minister of National Defence): Mr. Speaker, I am aware that a few studies are going on but I am not aware of the existence of a committee to correlate these efforts as yet. I imagine whenever these different studies are completed they will be of major interest to the committee and I certainly would not prevent the committee from considering them. I would encourage the committee to look at them for the particular purpose of giving advice.

Mr. MacLean: Mr. Speaker, I should like to ask the minister whether a committee of three senior civil servants, under the chairmanship of Mr. Louis Audet, is studying this question of integrating the marine services of the government under one department? I direct my question to the Prime Minister.

Right Hon. P. E. Trudeau (Prime Minister): I will inquire, Mr. Speaker.

FISHERIES

LAMPREY CONTROL PROGRAM, LAKE HURON AND GEORGIAN BAY

Mr. P. V. Noble (Grey-Simcoe): Mr. Speaker, I should like to ask the Minister of Fisheries whether sufficient funds will be made available so the Great Lakes Fisheries Commission will be able to carry out a lamprey control program in Lake Huron and Georgian Bay during the 1970's?

Hon. Jack Davis (Minister of Fisheries and Forestry): I certainly hope so, Mr. Speaker. The funds we make available are tied to the value of United States funds made available and we do not know what that is as yet.

INDIAN AFFAIRS

REPORTED STOPPING OF PAYMENT FOR HOSPITALIZATION OF INDIANS AND ESKIMOS SUFFERING FROM TUBERCULOSIS

Mr. H. A. Moore (Wetaskiwin): Mr. Speaker, I have a question for the Minister of Indian Affairs and Northern Development. Will the federal government stop paying for hospital treatment of Indians and Eskimos suffering from tuberculosis this spring as reported in the Edmonton *Journal* on February 2?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, that does not come under the responsibility of my department, but I think the Minister of National Health and Welfare has duly said that such rumor was unfounded.

[*English*]

AGRICULTURE

AMENDMENTS TO CANADA GRAIN ACT ARISING FROM XCAN ACTIVITIES

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, I should like to direct a question to the Minister responsible for the Wheat Board. Will the government be introducing amendments to the Canada Grain Act if the new grain selling agency, XCAN, affects the selling of board grain?

Hon. Otto E. Lang (Minister without Portfolio): Mr. Speaker, the Canada Grain Act is within the jurisdiction of my colleague, the Minister of Agriculture.

POST OFFICE

MONTREAL—ACTION TO END DISPUTE—PROTECTION OF TRUCKS

Mr. Mac T. McCutcheon (Lambton-Kent): Mr. Speaker, may I direct a question to the Postmaster General. I will heed your admonition, and so that I will not have to ask a supplementary I will give him both barrels at once. What action is he taking to end the Montreal postal dispute which has already resulted in half of the city's mail deliveries being three or four days late with no weekend pick-up? In view of the violence that has already flared up in the Montreal dispute, what steps is he taking to protect postal trucks engaged in pick-up and delivery?

Hon. Eric W. Kierans (Postmaster General and Minister of Communications): Mr. Speaker, the employer, Lapalme Transport Incorporated, through its lawyer has sent a letter to the syndicate demanding that the employees furnish the men to man the trucks necessary to supply normal services to all Montrealers. I may say that we are quite disturbed and I intend to go down to Montreal tonight. We are concerned about the violence and also the threats by the union to disclose various public activities that have been engaged in in recent years. If there is a garbage can I hope they take the lid off. We do not intend to submit in any way to what I can only call blackmail practices on the part of the union.

Mr. McCutcheon: I have a supplementary, Mr. Speaker.

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

OIL

INCREASED EXPORTS TO UNITED STATES IN VIEW OF MIDDLE EAST TENSIONS

Mr. Steven E. Paproski (Edmonton Centre): I should like to direct my question to the Minister of Industry, Trade and Commerce. In view of the continued tensions in the Middle East, has the government had any talks with the United States to increase Canada's oil export quotas?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, I think this question should be directed to the Secretary of State for External Affairs. I will make sure he answers tomorrow.

[*Translation*]

HOUSING

QUEBEC—ALLEGED REDUCTION OF FEDERAL GRANT FOR URBAN RENEWAL

Mr. Roch La Salle (Joliette): Mr. Speaker, I have a question for the Minister without Portfolio in charge of Housing.

In view of the present conflict between the government of Quebec and the federal government concerning urban renewal grants, can the minister confirm whether the federal government had agreed to pay $94,500,000 to the government of Quebec and is now only prepared to pay $25,000,000?

[*English*]

Hon. Robert K. Andras (Minister without Portfolio): Mr. Speaker, there was no such commitment made in respect of the $94 million, but it is correct that in the announcement I made in December in respect of the $25 million, which is specifically identified with three projects in the province of Quebec, that offer was made. In respect of the first part of the question, I do not think that is correct.

Mr. Speaker: Orders of the day.

Mr. Macdonald (Rosedale): Mr. Speaker, on a point of order, may I say that there have been discussions among representatives of the parties and I believe there might be a disposition to pass government order No. 58 in the name of the Minister without Portfolio answering for the Wheat Board if it were called as the first item of business for today.

GOVERNMENT ORDERS

AGRICULTURE

REFERENCE TO STANDING COMMITTEE RESPECTING NON-QUOTA FEED GRAIN PRICES

Hon. Otto E. Lang (Minister without Portfolio) moved:

That the Standing Committee on Agriculture be empowered to examine and inquire into the problem of distress or unreasonably low prices for non-quota feed grain being marketed in the designated area as defined by the Canadian Wheat Board Act and to report to the House observations and proposals thereon.

Motion agreed to.

[Mr. Pepin.]

EXPROPRIATION

ACQUISITION AND ABANDONMENT OF LAND, APPOINTMENT OF HEARING OFFICERS, ETC.

Hon. John N. Turner (Minister of Justice) moved that Bill C-136, respecting the expropriation of land, be read the third time and do pass.

Mr. Andrew Brewin (Greenwood): Mr. Speaker, I do not intend to detain the House. I merely wish to speak for one or two moments on this particular bill. It brings the law on expropriation into the twentieth century for the first time. On balance, we think the bill is a very considerable improvement on the Canadian law to date. The bill has already been fully debated on second reading, before the Committee on Justice and Legal Affairs and at the report stage in this House. In our view the bill would have been a good deal better had the government accepted the amendments proposed by opposition members. I believe the minister tended to accept the advice of his own advisers rather than the opinions of some of his colleagues.

Mr. Turner (Ottawa-Carleton): Mr. Speaker, would the hon. gentleman concede that a good many recommendations and amendments from all quarters of the House and of the committee were accepted.

Mr. Brewin: Some amendments were accepted, and I commend the minister for that. I thought there were some excellent amendments which were not accepted. I really rose merely to say I regretted not being in the House yesterday when these matters were discussed. I understand that my colleague, the hon. member for Winnipeg North Centre (Mr. Knowles), showed all the legal erudition and clear understanding one would have expected from him. I do not propose to repeat the arguments he made yesterday during the debate.

On balance, we think this bill is a great improvement and are ready to have it pass on third reading without further debate or discussion.

Mr. Speaker: Is the House ready for the question?

Mr. John Gilbert (Broadview): Mr. Speaker, before we have the vote on third reading, I should like to say a few words. It is very difficult to be highly critical of Bill C-136 because it is a great step forward in respect of the expropriation laws of Canada. When

we realize that the last time a major amendment was made to this act was in 1886, the necessity for amendments becomes evident and the Minister of Justice (Mr. Turner) should be congratulated for bringing this bill forward. During the debate on the report stage, the minister brought forth a motion in respect of clause 14(3) of the bill. Unfortunately, because of illness and another appointment, I was unable to be here. In his remarks the minister mentioned this was the first time since he had been Minister of Justice that he had failed to accept at the report stage a decision of the committee. He also suggested there might have been some rather peculiar things happening in the committee, and that we almost used a shotgun to bring forward the amendment before the committee. He said he was not casting any reflection on any member but suggested that, on sober reflection, probably members would agree with him.

It was I who brought forward the amendment to this clause in the committee. I am sure the minister and you, Mr. Speaker, would like to hear the reason I brought forward the amendment, because it is a matter of great importance. I believe my experience in expropriation matters, and that of many other members, has been much the same. When it comes to expropriation, we find that the Crown or the expropriating authority is in the superior position at times and can play a cat and mouse game with the person whose property is being expropriated. The Crown has always held the strong position of having most of the competent appraisers in the country on its side in matters of expropriation. The Crown also often has the good fortune of having some of the best counsel plead its case. This places the expropriated owner in a very difficult position in respect of bargaining effectively with the expropriating authority.

I brought forward an amendment which said, in effect, that the expropriating authority would give the expropriated owner not only a copy of the appraisal on which the compensation was based, but also a copy of all appraisals because it seemed to me the whole philosophy behind expropriation is that the person should be entitled to full and fair compensation for the expropriated property. If given all the appraisals within the control of the expropriating authority the person concerned, along with his real estate agent, appraiser or lawyer could determine whether an offer was fair and reasonable and whether he was receiving full and fair compensation. I was quite surprised, after making my remarks on the amendment, that 75 per cent of the members of the committee voted for the amendment. This created quite a shock for the Minister of Justice and his officials. They immediately set about correcting the situation. As the minister said, this is the first time he has failed to accept an amendment brought forward at the committee stage by any member.

In his remarks yesterday the minister set forth some of the possible consequences of allowing the amendment to remain in the form in which it appeared at the committee stage. I was really amazed to hear him say the department might have to resort to subterfuge by obtaining only oral appraisals in respect of expropriation matters. I have heard it said that in matters of law, the Crown never wins and never loses. Surely, there is an onus on the Crown or on the expropriating authority not to allow itself to be placed in a position where it feels it is winning or losing. I believe its position at all times should be that the offer it presents to the owner whose property is being expropriated is a just and fair offer. The suggestion that the government would resort to subterfuge and obtain oral appraisals in order to outsmart the person whose property is being expropriated is not in keeping with the philosophy of government.

• (3:40 p.m.)

He also suggested a problem might be created by having only one appraisal. I think it should be brought to the attention of the House that in Ontario, when a matter goes to arbitration, ten days before the hearing the parties must exchange the appraisals that they have obtained, either on behalf of the expropriating authority or on behalf of the owner of the expropriated land. I should like to see the able Minister of Justice suggest that if the case does go to arbitration we at least keep in line with the Ontario law by making it a rule that all sides exchange the valuations they have obtained on the expropriated property. This would be in keeping with the spirit of fairness to the owner whose land is expropriated. Here, I am not referring to the person who has a large tract of land, who can bring in the best appraisers and legal counsel to speak on his behalf, but to the ordinary person whose land is expropriated for some public purpose and who does not have legal counsel or appraisers at hand.

I hope that the Minister of Justice, when this bill becomes law, will bring forth some rule that if a hearing is held there will be an exchange of appraisals obtained by the government and by the appraising authority. This seems to me to be more equitable and fair to all parties.

Mr. Speaker: Is the House ready for the question?

Some hon. Members: Agreed.

Motion agreed to and bill read the third time and passed.

NATIONAL PARKS ACT

AMENDMENTS RESPECTING DEFINITION, ACQUISITION, ADMINISTRATION, ETC.

The House resumed from Wednesday, February 4, consideration of the motion of Mr. Chrétien that Bill C-152, to amend the National Parks Act, be read the second time and referred to the Standing Committee on Indian Affairs and Northern Development.

Mr. Thomas S. Barnett (Comox-Alberni): Mr. Speaker, in the few moments during which I participated in the debate on this bill, I suggested that it had been on ice for a long time but I felt that as it thawed it would be revealed as a fishy proposition. As a matter of fact, all of us know that fishy products tend to be slightly odoriferous. I would like to underline what I said on the earlier occasion by saying that if you take a piece of rather stale fish and freeze it, it is still stale when it is thawed.

In any event, I think that my remarks are justified because those of us who have been involved in the situation surrounding the introduction of this bill realize full well there is much more here than meets the eye in the legislation. I think probably the most important amendment in principle to the National Parks Act for some time is to be found in clause 13 which reads as follows:

> There is hereby established a corporation for the purposes set forth in this Part, to be known as the National Parks Leaseholds Corporation.

Perhaps it is worthwhile reminding the House at this stage of the circumstances in which we were first made aware of this proposal. The Standing Committee on Northern Affairs had made a tour of the Banff and Jasper parks, had heard an extensive series of briefs from people interested in park matters, and also briefs outlining the problems of the residents of those two communities. We had returned to Ottawa and had held further meetings here. The committee was at the point of preparing its report for presentation to the House when the then minister of Indian affairs and northern development appeared before the committee on March 14, 1967 and made a statement to us in which cursory reference was made to the hearings and the evidence before the committee. I should like to quote from page 2 of the press release containing the statement by the minister. It reads:

> I would like to announce now, to recommend to parliament the enactment of legislation to establish a National Parks Leasehold Corporation for the purpose of administering these leases. This corporation will be independent, subject only to its statute, and any written directions of the minister.

A little further on, it reads:

> By this measure we intend that commercial leases will be administered on commercial principles and on these principles only—

Then, it continues:

> We would also of course expect that operating on sound commercial principles the corporation would, firstly, secure the necessary volume of investment for the visitor facilities needed and, secondly, ensure that the return to the taxpayers as a whole from these commercial concessions was adequate, which I do not think is the case today.

I recognize that the statement made by the then minister could be the subject of a great deal of debate. But from my point of view the introduction of part III of the National Parks Act can best be summed up by stating that it represents a form of creeping commercialism into the national parks administration of Canada. I think the discussions that took place before the committee earlier revealed quite clearly that that will be the result of the passage of this legislation. I contend that this is basically contrary to the spirit of the national parks trust, and it is not something which should be supported by this House.

The argument that this corporation will be independent of the minister may, on the face of it, have its attraction to some people. I suggest to you, however, that what it means is that once we set up a commercial corporation to be operated on commercial principles, one that is independent of the minister, we are paving the way for the inroads of commercialism into the national parks of Canada on a scale that we have not seen before. I submit that this is not something to which those who believe in the value of the parks as part of the national parks trust should lend their support. What we are in effect doing by this proposal is to set aside certain enclaves

within the parks free from the control of the parks people.

• (3:50 p.m.)

In other words, we are saying to the people to whom we entrust the administration of the parks, "No longer will certain parts of the parks be under your administration. We are going to turn over certain parts of the national parks to people whose philosophy is commercialism." The result is that the parks people who are concerned with parks as parks, whether they be ecologists or naturalists, will no longer have any direct say in the activities that take place in certain parts of the parks. This is why I suggest we should oppose what I call creeping commercialism within the national parks system in Canada, and on that ground we should refuse to lend our support to this bill.

Secondly, Mr. Speaker, I suggest that by this bill we are creating an unnecessary and double bureaucracy. We already have a national parks administration. Now, we are proposing to set up new machinery which will function outside the parks branch. We are to have a new corporation with presidents, directors, staff and all the rest of it to do a job that I suggest can be done quite well by competent administrators in the department, whether employed in the local park areas, in the regional park areas, or in the national headquarters at Ottawa, and who would operate the parks within the spirit of the national parks trust. In effect, we will be saddling the administration of the national parks with an unnecessary bureaucracy and that, I submit, is a second ground for opposing passage of the bill.

There exists a myth in some people's minds that people who are employed directly in the public service for a salary are somehow incompetent individuals! I would not say that there have never been incompetent individuals employed in the public service, but by and large I submit that concept is a myth. I do not believe it is necessary to set up all of the political bureaucratic machinery of an independent corporation, separate from the normal operations of the department, in order to look after certain small parts of the national parks that have been leased to individuals. So, Mr. Speaker, I oppose this bill because I believe it will result in the creation of what I have referred to as a double bureaucracy.

But, Mr. Speaker, there are other ancillary reasons why we should oppose this piece of legislation, and particularly oppose its passage at this time. I submit that anyone who participated in the hearings of the committee in 1967 cannot help but agree that, in effect, the introduction of this legislation is a cover-up for the refusal of the administration to face up to certain situations in a realistic manner. Mr. Speaker, I suggest you cannot cure a cancer with a poultice, and so far as I am concerned this legislation is simply an attempt to wrap a poultice around a situation in the national parks administration. This proposal is not one that warrants the support of this House at this time.

The members of the committee who visited Banff and Jasper—I refer to Banff and Jasper in particular because I think it is primarily out of the situation in Banff and Jasper, and to a lesser degree in Waterton, that this legislation has been developed—cannot help but agree that the citizens of those two communities came before that committee in good faith. They felt this was a real opportunity for them to be heard before the highest court in the land, and that they were entitled to a fair hearing.

It has been a matter of considerable grief to me ever since that time that the committee report, which was never debated, simply amounted to a complete whitewash of the strongest objections of the citizens of Banff and Jasper with respect to certain aspects of the administration of parks policy which related to their communities. I felt ashamed that the committee, in dealing with the matter of leases, took the attitude that, rather than have a committee of Parliament recommend that the viewpoint of these citizens be dealt with in equity by Parliament, any differences of opinion on leasing matters should be left to the courts to test the validity of the citizens' cases. The reference was particularly to the question of the perpetual leases that had been issued within the parks boundaries in earlier years.

When I made reference to this subject during the discussion of Parks estimates in the House on June 9, 1967, the first opportunity that there was to discuss the question in the House, I made it quite clear I felt a mistake had been made in the issuing of these perpetual leases. I felt that parliament should come to grips with the situation. If I may, I would just quote what I had to say as recorded at page 1360 of *Hansard* of that date:

> I want to state my view quite clearly. I do not believe that these perpetual leases should be allowed to continue forever. I am not learned in the law, but it appears to me that the way in which

some of these leases were drafted comes pretty close to being the equivalent of title in fee simple as we ordinarily understand it in other parts of the country outside of park boundaries.

I went on to suggest that we should in effect, approach this matter in the spirit of what would normally be considered to be an expropriation proceeding. Perhaps, Mr. Speaker, it is rather ironic that we should be discussing this matter when the House has just given third reading to a bill dealing with procedures of federal expropriation, which one of my colleagues referred to as having brought the matter of expropriation into the 20th century. It is ironic that we should now be dealing with a proposal relating to leases in the parks, and in particular the perpetual leases, which will leave those leases forever within the ambit of the concepts of the 19th century. This, so far as I am concerned, is a third ground for opposing the passage of the bill.

• (4:00 p.m.)

The fourth reason why I think we should oppose this bill, and in particular in the context of the current situation, is somewhat related to the third. It relates particularly to Banff and Jasper and the question of perpetual leases. The fourth reason is that if this bill is passed it will perpetuate, as long it remains on the statute books, the existing colonialism in the towns of Banff and Jasper. They will become to an even greater degree than they are now, company towns. At least now, the citizens in those communities have some form of appeal directly up through the political process which we pride ourselves is a democratic one in Canada. But, Mr. Speaker, once the property within the townsites of Banff and Jasper is put in the hands of this corporation, as I understand it this corporation will be the end-all and the be-all of law so far as property holding in Banff and Jasper is concerned, and that is a situation which I say is simply not good enough. I have made it clear before and I make it clear again that I do not believe private property should be held within the parks; that property, if it is going to be used by individuals, must be held under some form of lease.

I suggest, Mr. Speaker, that in this Parliament long ago we should have come to grips with the question and should have dealt with it in the manner the people of Banff and Jasper asked us to deal with it, that is, in Parliament. Having done that, we would have paved the way to take the step that I suggested in this House on June 9, 1967. On that occasion, I suggested that we pass legislation granting to Banff and Jasper the status of towns under special federal charter so that they might have dealings in a normal way under agreement between the federal and provincial governments for the municipal services available to other communities in the province of Alberta. It is because these towns are within the parks that there would have to be special charters. I suggested then that there are anomalies within the parks, but there they are and we must recognize the fact. The people living in those communities are citizens of Canada and should have the same rights as other citizens for democratic self-employment in their own communities which they do not have now. Had Parliament taken the step at that time, there would now be some local authority with rights under the law to deal with an agency such as this, if it is to be set up as custodian of land within the boundaries of the communities.

As I understand it, Mr. Speaker, the proposal before us would make the people of Banff and Jasper forever the prisoners of this corporation. Many of the people who have grown up in the province from which I come know what is meant by the term "company town". I suggest that in the 20th century the Parliament of Canada should not be moving to create company towns anywhere in this country, but rather in the reverse direction. The proposal to add this provision under the National Parks Act will, in my view, do exactly that as far as the communities of Banff and Jasper are concerned. That, Mr. Speaker, is the fourth reason why I feel that I cannot support the bill.

As far as I am concerned, Mr. Speaker, and as far as my party is concerned, we do not want to become involved in the kind of argument that has gone on in this chamber and in committee as to which administration was responsible for what in respect of leasing policies.

Mr. Woolliams: I know we were not.

Mr. Barnett: I suggest, Mr. Speaker, that if the present government were to agree to withdraw this bill, and to take a fair look at the point of view expressed to the standing committee of this House by the citizens of Banff and Jasper, and was prepared to recognize by the introduction of appropriate legislation that Parliament wished to undo some of the mistakes of the past in the matter of parks policy in such a way as to deal fairly and equitably with the individuals involved, we might then be well on the way toward a

common point of view on the establishment of visitors' service centres within the parks.

I have talked to people whose primary concern is in the welfare, preservation and enhancement of enjoyment of present and future generations in the parks. I find myself in sympathy with their views and the approaches they advocate. We have some very fine and knowledgeable Canadians within the present parks administration, and it is not fair to saddle them with the proposal in this bill on the flimsy excuse that Parliament is too niggardly to supply the funds to establish facilities of proper standard for the enjoyment of visitors to the parks. It is not fair to hamper them with a noose around their necks, to hamper their approach to the free and full development of the national parks of Canada.

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, in speaking on this particular bill, there is one difference between my position as a member of Parliament and my position in private life; it seems that one is asked on many occasions to repeat things said on other occasions. This is a matter which has not been debated during this session but has been discussed for a considerable length of time. I agree with the position of the member for Comox-Alberni (Mr. Barnett). In brief, this bill would set up a Crown corporation to control and govern the national parks of Canada and would take them away from ministerial responsibility.

My first point is that we have Crown corporations where it is necessary to have independent corporations. We have the Bank of Canada. However, over the years we have seen some of the problems that arise. Every member of Parliament receives complaints about the efforts of Crown corporations, such as the CBC. I am not complaining about the CBC, but after all these Crown corporations are only creatures of the law and were set up by the law. When a Crown corporation is established and is set up apart from ministerial responsibility, then it becomes the responsibility of Parliament.

Some hon. Members: Hear, hear.

Mr. Woolliams: What we are doing today is necessary because there has been so much trouble with the park administration. Basically, the ministers have not been running the park; this has been done by the men behind the ministers. I am glad to see the Minister of Public Works (Mr. Laing) here—

Mr. Honey: Mr. Speaker, would the hon. member permit a question?

Mr. Woolliams: Yes, certainly.

Mr. Honey: Mr. Speaker, in his concern that there is no ministerial responsibility under the provisions of the statute setting up Crown corporations, I wonder if the hon. member would not agree that clause 18 of the bill puts the corporation under the control of the Governor in Council or the minister?

Mr. Woolliams: That is just a red herring. And I am going to answer the hon. member right now. If he reads the Canadian Broadcasting Act he will find similar clauses, not identical, and similar responsibility.

To continue with what I was saying, Park administration is being taken from ministerial responsibility because of problems in the park. As I was saying, I want to pay a compliment to the Minister of Public Works. I am glad that he is not the Minister of Indian Affairs and Northern Development (Mr. Chrétien), not because he is not an able minister but because I have to attack this bill. I will say for him that even on those occasions when we have disagreed in the House or in committee on the administration of parks, he was always in the House when the matter came up. He would answer the question and take his position and that, Mr. Speaker, is something that I would like to come to grips with now.

• (4:10 p.m.)

I am very disappointed today, as were other members when this matter came before the House earlier, that the Minister of Indian Affairs and Northern Development has deliberately refused to come into this chamber to answer questions and pilot his own bill. I see the Minister of Justice (Mr. Turner) is here. There were many things in the omnibus bill about which we disagreed. We disagreed in committee. Even this morning we disagreed on some things, but the fact is that the Minister of Justice is the kind of minister who will take his responsibility and will be in the House when there is a contentious piece of legislation to be piloted through. The same can be said about the Minister of Public Works. There have been some changes for the good. I am glad to see the Minister of Energy, Mines and Resources (Mr. Greene) in his seat, because I think he understands the western problem of petroleum far better than his predecessors.

As a Canadian from western Canada, I find it strange that for such a long period of time the men controlling northern affairs, national

parks, the grain trade, the petroleum industry, in fact all the leading industries in western Canada, were from another part of Canada and did not have knowledge or experience in those fields. It is no wonder we are now the fifth ranking nation in grain rather than the first. No wonder we have so many troubles in our parks. No wonder there is anxiety about the administration in the petroleum industry of western Canada. Our present ministers are some improvement, but I want to deal with the minister who was too busy to come into the House the last time one of his bills was before us. There was very little publicity given to that fact.

Mr. Honey: I do not know if my friend is referring to *Hansard* or to a statement made outside the chamber. If my friend says the minister said that, I have to accept it. I think my friend knows me well enough to know that I am modest, but my understanding is that the minister said he had confidence in his parliamentary secretary and would give him the responsibility of piloting this bill. Mr. Speaker—

Mr. Woolliams: Mr. Speaker, that is not a point of privilege. The parliamentary secretary is not rising on a point of privilege; that is plain hog-wash. I do not intend to assign my time to the parliamentary secretary, even though he is filled with sweetness. I say there is a responsibility. The Minister of Justice also has a very able parliamentary secretary, but the responsibility of the department does not rest on the shoulders of the parliamentary secretary. It rests on the shoulders of the minister, particularly a minister who goes across this nation making statements of this kind.

I wish to quote from an article which appeared in the January 16, 1970 edition of the Calgary *Herald* which, on many occasions, is not an unfriendly paper to the administration. It is rather a rotten thing to have to read on the front page of a paper. The headline reads, "Chretien Tells Banff 'Like it or Leave'." I quote from the article:

> If residents of the townsite of Banff don't like living under federal administration, they can leave, Jean Chrétien, Minister of Indian Affairs and Northern Development, said Thursday.
>
> Mr. Chrétien said in an interview nobody is obliged to live in the park and if they don't like the situation "they can drive east or west and they won't have to live in the park."
>
> Residents of Banff, who have to lease their land from the government, have complained that the cost of leases has risen and, in some cases, leases have not been renewed. They are also complaining about a tax increase.
>
> Mr. Chrétien said they had no right to complain because they haven't invested money in the land anyway since they haven't had to buy it.

What the minister is really saying to the people of Banff and Jasper is that he is going to put this policy through no matter what happens. This is what he is saying to Mr. Jimmie Simpson who lives at Boyle Lake near Lake Louise. The Minister of Public Works knows this man. He has been there since before the turn of the century, before we ever heard of this little shrimp, the Minister of Indian Affairs and Northern Development (Mr. Chretien).

Some hon. Members: Shame!

Mr. Woolliams: I say shame on the minister who has the nerve to tell Canadians who have been pioneers in western Canada to get out, go east or west, do anything you like, but get out; take it or leave it. I think that is the most shocking thing the minister could say anywhere, particularly when this minister is from another part of Canada. This is what he said in that part of Canada which always extends great courtesy and understanding. It is shocking to the residents of Banff and Jasper.

The parliamentary secretary rises on a question of privilege and says, oh, he has great confidence in me. I say the parliamentary secretary is merely an instrument of the minister. I feel sorry for him, since he has to be in that position. He does not mind sitting there because it is an elevation from where he was. The fact is that he is merely an instrument of the minister. This is the most shocking thing that has ever been said in western Canada.

Senator Cameron said something very important in his letters to the department.

An hon. Member: Who is he?

Mr. Woolliams: Somebody asks, who he is. He was appointed to the other place by a very distinguished Liberal Prime Minister. The words of Senator Cameron are not those of a Conservative. These words are similar to those used by the New Democratic Party which also offers constructive ideas in opposition to what is going on in the House. As a Liberal senator he said, if there were an election held tomorrow west of the Great Lakes there would not be a single Liberal elected.

Mr. Turner (Ottawa-Carleton): What do senators know about elections?

Mr. Woolliams: My good friend the minister asks, what do senators know about elections? That is what Senator Cameron said.

The present member for Rocky Mountain (Mr. Sulatycky) is a Liberal. This may be a bit of a fluke. I do not say that because he is not talented. He is friendly, able and intelligent. He became the member for Rocky Mountain as the result of a mix-up in my own party. This riding is one of those monstrosities which is almost 1,000 miles long. There was a Conservative candidate in the north end of the riding and a Conservative candidate at the opposite end. There were five candidates. If the records are checked, it will be seen that the present member received 30 per cent of the vote. He stood up to this minister, however and I compliment him. He said if the minister would use a little understanding, courtesy and consideration when dealing with the Indians, Eskimos and people of the parks, if he would listen, he would get respect and create respect for the officials of his department from the people of Banff, Jasper and the other national parks of Canada. When a Liberal member makes such a statement, he must be really frustrated. It takes a lot more nerve to make such a statement than the parliamentary secretary has. He would not do it. Thing must be pretty tough when a Liberal member of parliament has to stand in his place and say that to a minister. I suppose he said it so often in caucus that he finally felt it was time to say in the House what he had been saying privately to his own party.

When the minister will not come into the House, hon. members feel they are wasting their time and they might as well sit down. How are we to exercise our responsibility as members of Parliament when this minister will not come here to listen to suggestions or criticisms of his department or his bill?

Mr. Laing: Why don't you get with it?

Mr. Woolliams: One thing is certain, the Minister of Public Works didn't get with it. As I said, he is a very fine man, but he was just moved out. With respect to the minister, I now hear a rumour that they are going to move him further. I would be the first to endorse it, but not because I think he deserves it. He has served in public life longer than most people here.

Mr. Laing: I would move you up.

• (4:20 p.m.)

Mr. Woolliams: My good friends never recommended me for an appointment. Someone says they got me out of the parks. I realized that a little hanky panky went on with a very independent man. An independent redistribution commission was established and Bow River was cut into five slices. So I ran in a new riding. I could have run in one of those. I realize this is how the Grits operate. But you would not think of doing that, and I do not suggest it, Mr. Speaker.

Now, I return to the question of leases. This corporation is to be in charge of park leases, a subject of contention in the parks for a long time, particularly since 1963. We hear a lot about our beautiful committee system. Well, a special committee went out to Banff. The people there were promised a great hearing. We went to Jasper and I think we spent a week or ten days there listening to briefs. We heard from Mr. Maberley, the president of the Liberal Association out there. He got so excited about what the goverment and the administration proposed to do that he fainted while presenting his brief to the committee in Banff. One would have thought this might have left an impression.

The fact is, the committee heard evidence. And nowhere in any of the briefs presented was there any suggestion that a bill should be introduced containing the terms and conditions we find before us today. There is not the slightest indication here that any regard has been paid to the evidence given before the committee. I am happy to see the former chairman of the committee present in the chamber; he was always courteous in his relations with this committee. There was nothing in the evidence or in the briefs to suggest we ought to set up a monstrosity such as is now proposed in order that the corporation might fulfil the minister's ambition, which is: Get out; go east or west, you western Canadians; we don't need you. That is exactly what we are being told. It makes one wonder. I wonder what would have happened had the shoe been on the other foot.

As I have said before—and I want to put this in chronological order—there was land in the national parks owned fee simple, there was land held on 99-year leases, land on 42-year leases with the right to renew, and land held on other kinds of leases. The people who own hotels and motels which serve a million and a half people or more each year, serve the tourists well. People come from all over Canada, from all over the United States and, in fact, from all over the world to see places like Banff, Lake Louise and Jasper.

The leaseholders have invested money in the parks so that they can serve the tourists.

Under our system they are entitled to make a profit; that is why people are in business; when they cease to make a profit they go out of business. What happens when they get old, or want to sell their businesses for other reasons? They cannot transfer their property as they could normally do under any provincial administration. The government has said they cannot do this unless they agree to change their leases. This is the element of duress, and this is what will continue under the great new corporation which is proposed, a corporation which will be headed by another Liberal as sure as my name is what it is and as surely as the constituency I represent is called what it is. It will be a bunch of Liberal hanky panky and a Crown corporation which can get away with a lot of patronage.

Some hon. Members: Hear, hear.

Mr. Woolliams: I hear hon. members opposite applauding. They are looking for the call already.

What kind of leases do these people get? Here is one which they said was against public policy—it would be awful, they inferred, if we showed the people this. It was made on the 4th day of March, 1968 between Her Majesty the Queen in the right of Canada and the Mountaineer Motel Company, a small corporation behind which were three business people who had got together to build a motel on land expropriated at Lake Louise. What does the lease say? Remember, they have got these people hooked, now, for a loan with the Industrial Development Bank; moreover, they have put in at least $200,000 of their own cash. Finally, these people get an interpretation of the lease they have signed. It does not matter what the parliamentary secretary may have to say about this; the minister should be here. Read the lease, beginning at clause 16, where it says the lease shall terminate if the lessee fails to perform, observe or keep any of the covenants and agreements herein contained, or violates any of the provisions of the National Parks Act or regulations issued pursuant thereto. There is no provision for compensation in such an event. Who interprets the lease? It is the corporation which will interpret the lease. Who says that the lessee has made a mistake? It is not a court of law. It is the corporation or the minister. It is one of these authorities which will say: You have violated these laws, so you are out.

The tenant may reply: I do not intend to get out; I shall go to law. But it takes a long time to go to law when the Department of Indian Affairs and Northern Development is involved. While the tenant is going to law his place is shut down, the interest payments on his mortgage continue, and he continues to be liable for taxes. So, whether he wins his lawsuit or not, he has lost his investment. And he has lost it as a result of hanky panky, because the Liberals or the corporation run by Liberals, are going to do things that way.

As I have just mentioned, a tenant can be thrown out on the grounds that he has broken a park regulation. When I was engaged in some litigation on behalf of leaseholders I had an opportunity to look at these regulations. Mr. Speaker, there is a whole volume full of them and they are so complicated that the words spoken by Browning about one of his poems apply to them very well—"When I wrote it, God and I knew what it meant; now, God alone knows what it means." These regulations are so lengthy and so confusing that there is not a lawyer in Canada who understands them. If you pick one and say "This means so and so", some official will pick up the book and find another regulation which states the opposite. Yet, if a tenant breaks any one of these unknown laws, his lease can be cancelled and he receives no compensation. To do this will be within the power of this great new corporation the government proposes to set up under this bill.

Mr. Nesbitt: Shame.

Mr. Woolliams: It is a shame. It is a disgrace. And what makes me sad, today, is this: I know that as I stand here speaking I am wasting my time, because this measure will be piloted through the House; it will be considered in the all-powerful Liberal committee and in the end it will be dished up with very few changes. This is what a dictatorial government intends to accomplish, and once it is done it will be extremely difficult to undo.

I have drawn attention to the kind of leases which this corporation will be handing out. Recently, the department has been advertising land in the parks and no one will take it. Do hon. members know who is coming into the picture now? Imperial Oil! Imperial Oil is an international company controlled by Standard New Jersey and the other Standard companies in the United States.

Responsible for these things is a government which began by saying it would keep foreign capital out of Canada. Today, they are handing over our national parks to big international conglomerates. Why is this happening? It is because no Canadian in his right

senses would ever enter into a deal as assinine as this bill contemplates in connection with the leases to which I have referred. That is the situation. Drive out the little man, he minister says. We don't care what happens to him. I am the all-powerful dictator working within the new presidential system of the Prime Minister (Mr. Trudeau). That is what he is saying. Get out of my way. No wonder one feels sad, speaking for a riding I had the honour to represent for ten years. It was heartbreaking to attend those meetings and see the frustration on the faces of people whose civil rights had been taken away from them. What the government could not do by politics they intend to do, now, by way of legislation. No wonder the minister is ashamed. The minister is not in the House because he is ashamed to face the members this afternoon. He is ashamed of himself, and he ought to be, as a Canadian and as a man in a position of responsibility.

• (4:30 p.m.)

An hon. Member: Nonsense.

Mr. Woolliams: I heard somebody say "encore". I realize hon. members over there do not like to hear this. Whoever interrupted should listen to the hon. member for Rocky Mountain, listen to what he is saying in caucus and in this House about this kind of dictatorship. Hon. members opposite do not care about western parks. I know they have lost our wheat markets and our petroleum markets, but what about our parks? As Senator Cameron said, you people over there will never again have representation from western Canada; at least this government will not. The situation is a disgrace, the more so since this is a part of the country which has always looked to central Canada for direction and particularly for democracy.

This situation has arisen simply because men have failed to understand. This government has said in no uncertain terms that it will have its way, that it does not care what the opposition has to say. This is the reason that Information Canada has been set up; the government wants to do away with all of Parliament's powers. Look at this place now, Mr. Speaker. It is like a lit-up cemetery, and it has been for months. Why is it that no members of the opposition come into this place? I will tell the House why they do not come in. What is the use of carrying on a debate before a government such as this which has run slip-shod over Parliament? This is how they are able to get away with this kind of legislation. I say this legislation is wrong. The principle of the bill is wrong. This legislation will lead to Liberal patronage and certainly exhibits Liberal government irresponsibility.

Mr. Honey: Mr. Speaker, may I ask the hon. member for Calgary North, who has just finished speaking, whether he was saying in his remarks that he did agree or that he did not agree with the policy that economic rents should be charged in the parks, as stated by a minister in the government of 1962, the present hon. member for Brandon-Souris?

Mr. Woolliams: Mr. Speaker, I would be very happy to answer that question. I examined the minister and his departmental officials with respect to this matter. At no time did the Diefenbaker government ever introduce a program of this type so far as leases are concerned. Certainly, it did not do to our parks what is being done to them now. The present policy is purely a Liberal one. The government is trying to put over the same kind of Liberal smear campaign as the Prime Minister tried to put over on the right hon. member for Prince Albert the other day with regard to the Montreal fair. When hon. members opposite know they are wrong, they accuse opposition members of being to blame. Why does not the Liberal government resign office and let the Tories take over? Then, things will get done.

Mr. Allen B. Sulatycky (Rocky Mountain): Mr. Speaker, it is a privilege to take part in this debate and to follow the hon. member for Calgary North (Mr. Woolliams), who was the former federal representative for a portion of Rocky Mountain riding and had the privilege of representing Banff National Park in this House for many years. I have a number of reservations about this bill and the rapid passage of the bill through the House. It is a bill that is of greatest importance to my riding. Its impact on Banff, Jasper and Waterton will be greater than on any other community in the country.

It was disappointing for me to hear the previous speaker fail to seize upon the real and crucial problems that exist in our national parks, and particularly those in Rocky Mountain riding. In the speeches that I have heard up to this point there has been an attempt to suggest that the introduction and passage of this bill through the House is strictly a political maneouvre. I suggest this is simply an evasion of the real problem.

In the national parks of Canada, and particularly in Banff, Jasper and to a lesser extent Waterton, a very serious situation has been created among those communities that are permanent. People living in those communities do not have the same democratic privileges and rights possessed by Canadians living outside our national parks. They have no local government. In addition, since the property is federal property, the local member of the provincial legislature has very little authority or jurisdiction with regard to them. As a result, virtually the only elected representatives to represent the people of the townsites and communities in our national parks are the local members of Parliament, whoever they may be at any given time.

This situation has resulted in a complete lack of communication between those governed and those governing. It is different from the situation that obtains in other communities where there is dialogue and communication between the elected municipal officials and the electors, between the provincial legislature members and the electors, and between the federal members of Parliament and the electors.

I believe the key issue here is that of communication, and that of the community accepting responsibility for its own welfare. This lack of communication is not something that has arisen within the last year and a half or even within the last 6, 7 or 10 years. It has been a characteristic of the communities of Banff and Jasper almost since their inception.

A number of studies and reports have been made about Banff and Jasper in order to determine by what method these communities should be administered. I want to emphasize the word "community", because all too often those of us who live outside our national parks, particularly outside Banff and Jasper, think these communities are populated by businessmen. This is far from the fact.

For example, Jasper is populated largely by employees of the Canadian National Railways. The first railway went through Jasper in 1911 or 1912, and ever since that time this community has been a divisional point for one of our trans-continental railways. So, it is easy to see that the largest single group populating Jasper consists of employees of the Canadian National Railways, not businessmen. I am sure we would find that those with investments in businesses in Banff and Jasper account for less than 10 per cent of the population in those towns.

• (4:40 p.m.)

We have been very slow to recognize this and we think of these communities as comprising wealthy people from Calgary, Edmonton and other cities and towns who have summer cottages in our national parks. I quite agree that it is not proper to allow the existence of summer cottages in national parks. It is quite a different thing to have people who must reside there because of their employment or occupation in order to serve the millions of Canadians and others we encourage to visit these parks. These people must reside there in order to serve the tourists, the railways, the highways, the lines of communication and the pipelines which traverse these national parks. We must recognize that these are communities similar to communities outside the national parks. Unfortunately, our predecessors in Parliament for many years have failed to recognize this. The department which has been responsible for the administration of the townsites of Banff, Jasper and Waterton have failed to recognize this fact.

The people living in these towns have been administered from Ottawa with no say in their own affairs or in the administration of their own townsites. This gulf between the administrators and the administered continues to increase year after year. There is now a greater degree of antagonism. The administrators are antagonistic toward the residents of the park. They refer to them as businessmen and cover up the facts in this way. They are not businessmen. There is a natural human reaction on the part of these people who reside in these parks.

So that it is abundantly clear I am not singling out the present minister, the previous minister, or any minister for that matter, in respect of this breakdown in communication, let me refer to a report that is commonly called the Crawford report. It was prepared for the department of northern affairs and natural resources respecting certain aspects of these national parks and the townsites therein. It has reference to Banff, Jasper and Waterton Lakes National Parks. It was prepared by Grant Crawford of the Institute of Local Government at Queen's University, Kingston. It was published in 1960. These are some of the statements in the report. At page 9 of the report the following statement is made:

> There was a frequently expressed feeling that the inhabitants should have more say in the running of the townsites.

This was the feeling expressed in 1959 and 1960, but it certainly has become more common in the last year or two, particularly in the last few months. This report was made under a previous administration. I am not attempting to blame that administration. There has been a breakdown in communications because those of us responsible in Parliament for municipal affairs and local government in these townsites failed to take an adequate interest and failed in our attempt to understand the situation. It is further stated at page 10 of this report:

It is the lack of adequate communication that calls forth such comments as the following: "The immediate problems are first of all autonomy and secondly the relationship of the town to the park superintendent"; "the local people may believe facilities are desirable but the government will not allow them such things as the drive-in theatre. There should be more local autonomy"; "everything depends on the superintendent. Appeal is only to the minister and you never get answers to letters"—

Again this was in 1959 and 1960. The report goes on to state:

—"in Radium Hot Springs they are rebuilding sewer, water and other works but local people have no say in it and they cannot find out what is happening or even what is proposed"; "no effective means of communication between residents or concessionaires and the parks administration except through the superintendent"; "there was an appeal to the minister from the decisions of the superintendent. What was needed was someone on the spot with power to decide"; "some signs can be approved locally, others must be referred to Ottawa, and a reply may take up to three weeks"; "the machinery is cumbersome and sometimes it takes years to get a decision from Ottawa"; "the superintendent may be very sympathetic but he has not good access to higher authority. The recent visit by the minister and deputy minister was the first in four years. Policy makers have no contact with local problems. They do not spend enough time in the field"; "channels for complaints are inadequate."

This is the situation as described by Professor Crawford in 1959 and 1960. I am sure this situation existed prior to 1957. It is wrong for anyone in this House today to blame this government. Let me reiterate that I am not attempting to blame any government or administration. Those of us who have been in this House have not given enough serious and sincere consideration to the fact that there are people living in Banff and Jasper who are not businessmen. We cannot deal only with land and the question of leases; we must deal with these people as people.

Again, the Crawford report goes on to state at the bottom of page 13:

—if the administration is prepared to go more than half way, the irritation can be greatly reduced.

It is significant that Professor Crawford indicated it would be necessary for the administration to go more than half way in order that the irritations may be reduced. Unfortunately, in the ten years since the preparation of this report the administration has not seen fit to go anywhere near the halfway position.

I am glad to see that the hon. member for Calgary North (Mr. Woolliams) is back in the House. In any event, the result has been a completely deplorable degeneration of communication, trust and goodwill. It is going to take an extreme degree of understanding on our part to resolve this situation so that in years to come we will not have these same problems we have today in relation to national parks before us in this Parliament.

Let me give you an example of this breakdown of goodwill. A few years ago two residents of the parks brought a representative action in the Exchequer Court of Canada seeking a declaration that the perpetual leases they held were in fact *intra vires* and not *ultra vires* as the administration had stated.

Mr. Woolliams: As Art stated.

Mr. Sulatycky: Again, that is not quite correct. The hon. member for Calgary North states "As Art stated". The fact is that the Order in Council declaring the perpetual leases *ultra vires* was made in 1958. The two new leases were not renewed until 1962 or 1963. Nevertheless, this case went to the Exchequer Court which rendered a decision favourable to Walker and Clark, the two individuals who were the plaintiffs. Then, the Crown appealed to the Supreme Court of Canada. This case was heard in late October and we are still awaiting a decision.

The story being voiced by friends and former supporters of the hon. member for Calgary North is that it is a Liberal judge who is holding up the decision, and that the court is waiting for this legislation to be passed by this House. I am sure the hon. member, who is a very eminent counsel and well known throughout Canda, would be the first one to stand and say there is no political interference and never has been with the Supreme Court of Canada.

Mr. Woolliams: Mr. Speaker, I rise on a question of privilege. I am sure the hon. member and I are good friends. Nowhere on the record did I ever say that the Supreme Court of Canada was holding up anything. I never mentioned this matter. The Supreme Court of Canada is well within its jurisdiction

to reserve judgment and render it when it has time. These judges have much work to do. This is a tough matter. The judges should take the time they are taking. I do not know how the hon. member could get the idea that I said this delay had anything to do with politics. The Supreme Court of Canada is far above political interference and far removed from this institution.

Mr. Laing: You have said a lot of queer things.

• (4:50 p.m.)

Mr. Sulatycky: Mr. Speaker, I apologize if my good friend—and I admit we are good friends—from Calgary North took from my remarks that I was suggesting he was making these statements. The fact is that there are people who, for political purposes, make statements and suggestions of this type which are entirely unfounded.

Mr. Woolliams: That is better.

Mr. Sulatycky: I am glad the statement of the hon. member is on the record for all the people of Banff and Jasper to see. This is the type of situation which exists. People would believe anything bad of the government. At the same time, the administrators would believe anything bad about the people of Banff and Jasper. They would believe they are all businessmen and gougers. These are not the facts any more than it is a fact that there is any political interference with the Supreme Court of Canada. I mention this because of the breakdown in communication and the complete lack of good will on both sides.

I believe it is time the people of the townsites got together with the administration to work out a new solution so that the people in the communities would be provided with the same democratic rights enjoyed by others who live outside the area of the national parks. I do not believe such a result will be achieved by this bill unless there are some very significant changes to it. It is my feeling that the townsites of Banff and Jasper should be exempted for the time being from the jurisdiction of the corporation which is to be established. I believe the corporation probably is a very necessary instrument for some of the national parks of Canada. It is probably a very nice instrument for some unpopulated sections of the Banff and Jasper National Parks and for the Waterton National Park. In any event, the head office of such a corporation should be located in Calgary or elsewhere in the province of Alberta where there is the largest volume of problems in relation to national parks. There should be some assurance that persons who are conversant with the business of the national parks would, in fact, be members of the corporation.

I believe it would be wrong to apply the operation of this corporation in a blanket fashion to all national parks because this would be a denial of the existence of the communities and people in Banff and Jasper. Banff and Jasper would simply be treated as part of a large body of land. Account would not be taken of the fact that people and communities are in existence there.

I have other reservations about this bill and the powers the corporation would have. Its powers are too wide. The corporation would be in a position to compete with free enterprise in the national parks. Such competition should not be allowed when private enterprise is already in the field. The bill should include guarantees that the corporation would be prevented from coming into competition with private enterprise in this manner. Although there are other changes which I believe must be made, I think most of all there must be a degree of good will on the part of the people in the Department of Indian Affairs and Northern Development and the people of Banff and Jasper, as well as other communities in the national parks, so that a solution may be found to enable these people to have their own administration completely outside the scope of this bill.

The bill, with the modifications I have mentioned, may be perfectly acceptable to places like Terra Nova National Park, Prince Albert National Park, Wood Buffalo National Park and many others which do not include townsites and which do not have a permanent population within them; but it is not acceptable to communities such as Banff and Jasper because it denies the existence of people there and will deny to the communities the ordinary relationship enjoyed by people outside the national parks. For this reason, I believe the bill requires extreme modification. I suggest that the parliamentary secretary or the minister should take the time to go to Banff and Jasper in order to discuss this bill thoroughly with the people there before it is passed. In its present form the bill, in my opinion, will not serve the purpose of or be of value to the people of Banff and Jasper.

Mr. R. Gordon L. Fairweather (Fundy-Royal): Mr. Speaker, I am glad to say it is a privilege to have a national park within the

constituency I represent and to point out to you, sir, that it is five o'clock. I will discuss other aspects of the park at eight o'clock.

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTERS OF QUESTIONS TO BE DEBATED

Mr. Deputy Speaker: It is my duty, pursuant to Standing Order 40, to inform the House of the questions to be raised tonight at the time of adjournment which are as follows: The hon. member for Red Deer (Mr. Thompson)—Post Office—policy respecting closure of low-income branches; the hon. member for Battleford-Kindersley (Mr. Thomson)—National Revenue—refund of sales tax on grain storage equipment; the hon. member for Brandon-Souris (Mr. Dinsdale)—Air Transport—CTC decision respecting prairie service.

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.

PRIVATE MEMBERS' PUBLIC BILLS

CRIMINAL CODE

AMENDMENT RESPECTING TIRE SAFETY

Mr. Barry Mather (Surrey) moved that Bill C-23, to amend the Criminal Code (Tire Safety), be read the second time and referred to the Standing Committee on Justice and Legal Affairs.

He said: Mr. Speaker, this bill was one of a number of bills dealing with traffic safety, the subject matter of which was referred some years ago to the Committee on Justice and Legal Affairs. I feel that this bill, like the others, contributed something to the formulation of the legislation which received second reading in the House recently. I have reference to the bill in respect of safety standards for automobiles brought forward by the Minister of Transport (Mr. Jamieson). Consequently, I do not consider it is necessary to take up the time of the House at this stage by further debate. Therefore, Mr. Speaker, I would ask, with the consent of the House, that the debate be adjourned.

Mr. Deputy Speaker: Is it agreed?

Some hon. Members: Agreed.

Mr. Deputy Speaker: The debate on Bill C-23 is adjourned.

HAZARDOUS PRODUCTS ACT

AMENDMENT CONCERNING COLOUR TELEVISION SETS

Mr. James A. McGrath (St. John's East) moved that Bill C-24, to amend the Hazardous Products Act, be read the second time and referred to the Standing Committee on Health, Welfare and Social Affairs.

Some hon. Members: Hear, hear.

Mr. McGrath: Mr. Speaker, I hope the applause is indicative of some approval of this bill.

Mr. Knowles (Winnipeg North Centre): It indicates approval of the hon. member.

Mr. McGrath: Mr. Speaker, the principle of this bill has already been accepted by the government. As recorded at page 2966 of *Hansard* for January 29, I directed a supplementary question to the Minister of Consumer and Corporate Affairs (Mr. Basford). I asked whether the government had given consideration to having colour television sets defined under the Hazardous Products Act. The minister answered in the affirmative and went on to qualify his answer by saying that the danger from radiation emanating from colour television sets is being considered for inclusion in the Hazardous Products Act on the recommendation of the Minister of National Health and Welfare (Mr. Munro). So, the government accepts the principle of the bill. Therefore, my bill will serve as a vehicle to get this subject before the appropriate standing committee where we will have an opportunity to examine all the aspects of coloured television, not only the radiation effects and the dangers there would be for our people, especially our children, but also a new element that has been brought to light, that is the explosive nature of certain brands of coloured television sets. I hope the House will agree to the second reading of my bill which, as I said, will serve as a useful vehicle to place this subject before the appropriate standing committee.

• (5:00 p.m.)

Mr. Stanley Haidasz (Parliamentary Secretary to Minister of National Health and Welfare): I would like to make a few comments on Bill C-24. First, I would like to draw to the attention of the House that the Department of

National Health and Welfare has done a lot of studies so far as radiation hazards from coloured television sets are concerned. The department has carried on detailed investigations on the problem of radiation from coloured television sets in the past two or three years, and the Minister of National Health and Welfare (Mr. Munro) has issued public statements from time to time which gave a clear picture of the investigations as they unfolded. I believe it would be highly appropriate to review this work today before considering in more detail Bill C-24 which we have before us now.

In my opinion, it would be unfortunate if the House were to assume that the appropriate departments were not giving this problem careful attention. The record, as I propose to demonstrate, shows that the Department of National Health and Welfare, and perhaps other departments as well, have studied this problem closely. This is a highly technical matter in some respects, and in my remarks this afternoon I would like to follow through, step by step, the history of this problem as revealed in the public statements made by the ministers of national health and welfare and in related documents.

We must surely examine these facts very carefully before proceeding to evaluate the merits of the proposal contained in Bill C-24. I say this because the problem of control of radiation from colour television sets, when looked at in depth, is far from being as simple a matter as some members might think on first reading the text of the proposed bill.

The first reference document that I have before me is a news release by the Department of National Health and Welfare dated 10 January 1968, in which the then minister of the department, the hon. Allan J. MacEachen, referred to a study made by the radiation protection division of the department. Apparently, the study he referred to was stimulated by a report emanating from the United States which indicated that certain specific models of colour television receivers had been found to emit excessive amounts of ionizing radiation. The department's study confirmed that these excessive amounts did, in fact, occur in the models mentioned. The problem was limited to large screen models built with a certain chassis, and only those imported from the United States between September 1, 1966 and May 31, 1967 were affected. In these models, high radiation levels were observed adjacent to the shunt-regulator tube, one of the electronic tubes in the chassis, not the picture tube. The levels were significantly higher than the maximum of 0.5 milliroentgens per hour recommended by the International Commission on Radiological Protection. Incidentally, I should point out that the standard of 0.5 milliroentgens per hour referred to in the statement is apparently the same as the standard suggested in Bill C-24.

In releasing that statement over two years ago, the then minister of national health and welfare emphasized certain significant facts. First of all, the statement makes clear that in carrying out its investigations the department had had the full co-operation of the manufacturer of the faulty television sets. This company was apparently doing everything in its power to track down the particular sets involved and to replace the defective tube with one of a safer design, thus bringing the radiation level within the accepted limit. I note that at the date of the news release, this company had modified, in the manner I indicated a moment ago, a total of 3,267 sets. Of all the sets recorded to have come into Canada, only 14 remained uncorrected. There was apparently some difficulty in tracking the last few down, but the report indicated that the department expected that this residual number would be dealt with shortly. Since all this took place over two years ago, I can only assume that this has long since been accomplished.

The second point which was emphasized by the minister of national health and welfare in the same news statement was that his department was checking into the possibility of similar radiation hazards in television sets of other manufacture. Reference was made to correspondence with 14 Canadian manufacturers regarding the nature of the shunt-regulator tube used in their models. At the time of the release, no evidence of any problem similar to the orginal one mentioned a moment ago had been identified, although it is clear in reading the statement that the investigation was continuing.

The general conclusion at this stage of the investigation by the department was that owners of colour television receivers need have little cause for concern about exposure to ionizing radiation. Further, the caution exercised by the television industry in relation to the risks involved seemed to the department to be reasonable and sufficient. There was, however, one note of concern in the statement. While it mentioned that the industry generally was aware of the problem,

and most companies were carrying out some form of radiation testing, none appeared to be making detailed tests on shunt-regulator tubes at that time.

The second published statement I have is dated April 10, 1969 and was also a news release from the Department of National Health and Welfare. It quotes the present minister of that department. The minister made the statement in response to inquiries generated by newspaper reports concerning a U.S. survey which had been taken in New York state. This survey had indicated that potentially dangerous radiation had been emitted above the recommended level of 0.5 milliroentgens per hour.

Apparently this report came as a surprise to the department. The minister said that since 1967, when the incident to which I referred a moment ago occurred, the radiation protection division of the department had been checking radiation levels of new model television receivers as these new models were introduced. They had checked 61 different models of 17 different companies. The tests had ensured that the sets, as marketed, did not emit radiation in excess of the standard level. As I understand it, only one set of each model was actually tested, the purpose of the test being to assure that the design of the set and its components was such as to eliminate the radiation emission. It was assumed that all sets of this model would behave the same in this respect.

• (5:10 p.m.)

The statement I am still referring to, the news release of April 10, 1969, then goes on to hint at a possible explanation for the high radiation levels found in the U.S. survey report. It noted that it had been found that sometimes sets which had been modified, subsequent to sale to the customer, could be potentially dangerous. This was because modifications involving an increase in the voltage applied to certain components could give rise to an increased level of radiation. The department recommended that such increases in the high-voltage settings should not be made, and although it believed that the associated radiation fields would be hazardous only over long periods of exposure, it stated that it was extending its testing program to ensure that, while in the past the department had been concerned with the safety of sets going on to the market, it now realized that servicing modifications or repairs might be made to the sets after purchase, and that the effect of these operations had to be investigated.

Now, Mr. Speaker, at the end of this news release is a statement of particular significance in relation to the bill which is before us at the present time, and with your permission I will quote two or three sentences:

> It is recognized that there is an increasing use of products capable of emitting potentially hazardous radiation. These include, besides t.v. sets, X-ray equipment, microwave generators and lasers. The minister added that his department is therefore seeking suitable regulatory powers to establish minimum safety standards for such equipment sold in Canada.

I believe that the sequel to that stated intention is the Radiation Emitting Devices Bill which has recently received second reading in the Senate. It would appear that, even at that time, the department was prudently preparing to establish safety regulations for colour t.v. sets if it should become necessary—although at that stage of the investigation, at any rate, there was no clear indication that they would be necessary.

Two weeks later, on April 24, 1969, the Minister of National Health and Welfare announced plans for a national sampling survey of colour t.v. sets in people's homes. This announcement also was in the form of a news release. The minister referred again to reports from the United States which indicated that some sets in use in people's homes emitted above the standard level. Set owners in Canada were invited to participate in a survey to be carried out by the Radiation Protection Division of the department. They would be supplied with a radiographic film pack which they were to attach to the outside of their sets and return it to the division after 20 hours of viewing time. The survey would be conducted according to a statistical pattern to provide sampling of a wide range of makes and models. The survey would be carried out by mail—the necessary material and instructions to do the test exposure would be sent to the participant.

This survey was in fact carried out. I understand that over 2,000 citizens wrote to the department and offered to participate in the survey. Of these, 400 were chosen by the department to carry out the radiation testing. On August 6, 1969, the minister released a report on the results of the tests on the 400 sets. The results are given in the form of a table appended to the news release. The 400 sets were analysed in four categories, with about 100 sets in each category. The categories related to the year in which the set was purchased, 1969, 1968, 1967, and 1966 or earlier. About 20 per cent of sets purchased in

1966 or earlier emitted radiation which, in some degree, exceeded the standard of 0.5 milliroentgen per hour recommended by the International Commission on Radiological Protection. The proportion fell to 14 per cent in 1967 models, 8 per cent in 1968 and 4 per cent in 1969. In most of the cases where emission was above the standard, it was only slightly above the accepted standard. Examination of the table of results does reveal, however, that at least three of the 400 sets emitted at rates of more than ten times the standard.

In presenting these results, the minister emphasized that the study had been of an exploratory nature only and that these results had not been followed up in detail. The department was not able to state whether or not the higher levels occurred only in certain specific models. It could not say whether the excessive emissions were due to occasional failures in quality control during manufacture, to regional variations in line voltage, to alterations made by repairmen or to a combination of such factors.

In discussing the results, the report stated that the health hazard, even where radiation emission was above the standard, was considered by the department to be exceedingly small. The standard carried such a high safety margin that, unless it were exceeded by a substantial amount, any health risk would be quite insignificant. It pointed out that the radiation emission was observed only at the point of closest approach to the electronic tubes, at the side, back or bottom of the set, not in the normal viewing position. Thus, the exposure of the viewer could be considered negligible if a normal viewing distance, preferably four feet or more, were maintained. The report then goes on to give a warning that prolonged proximity to the side or back of a set should be avoided as much as possible.

Finally, Mr. Speaker, I have before me a news release of the Department of National Health and Welfare dated September 4, 1969, and titled "Safety Rules for Colour TV Users." In this statement the minister gave further information relating to the studies made by his department on colour T.V. hazards. He referred to the survey that had been carried out and noted that about 10 per cent of the sets tested had been found to emit radiation somewhat in excess of the accepted manufacturing standard. Examples of such sets had been found among all popular makes, the largest number being among the models purchased before 1967. The causes were complex and attributed partly to component design and partly to servicing.

The minister repeated that, in the opinion of his department, these radiation-emitting sets were not a significant health hazard if given the usual degree of respect accorded many other household appliances. The radiation was observed only at the back, bottom or sides of the sets, not in the normal viewing position and this, coupled with the very large safety margin inherent in the accepted standard, made the health hazard extremely small.

• (5:20 p.m.)

The news release then proceeded to give simple rules which would ensure safety even in cases where radiation emission was somewhat in excess of the accepted manufacturing standard. One of these rules is to consult your authorized repairman rather than attempting to do your own servicing. Another is to ask the repairman, on his next servicing call, to check the voltage regulating circuits and radiation shielding as specified by the manufacturer. Another rule is to cultivate good viewing habits—to not regularly sit closer than four feet from the set or to allow children to lie with legs extended beneath the set while viewing. And lastly, to place all colour television sets against a wall and not to locate chairs immediately adjacent to the side or back.

Mr. Deputy Speaker: I am sorry to interrupt the Parliamentary Secretary, but I am afraid his time has expired. The hon. member for Surrey (Mr. Mather).

Mr. McGrath: Mr. Speaker, I wonder if the hon. parliamentary secretary would permit a question with the consent of the House?

Mr. Deputy Speaker: If there is consent, with the agreement of the Parliamentary Secretary.

Some hon. Members: Agreed.

Mr. McGrath: Mr. Speaker, since it is apparent that the government approves the principle of my bill, as the parliamentary secretary was speaking for the government, may I ask why the government is not prepared to refer this bill to the Standing Committee where the subject can be thoroughly discussed?

Mr. Haidasz: Mr. Speaker, I was given to understand by some of my colleagues on this side of the House that they would like to make some remarks this afternoon on Bill C-24.

Mr. Bell: With an answer like that, he should be in the cabinet.

Mr. Greene: He is coming; he is nearly ready.

Mr. Deputy Speaker: The hon. member for Surrey.

Mr. Barry Mather (Surrey): Mr. Speaker, I should like to speak very briefly on this proposed measure, Bill C-24. I should like to see it passed by the House and referred to the Standing Committee. I take this position because I am one of a number of members interested in possible colour television fires, and the number of fatalities arising from them. I first became interested in 1968 after reading statistics concerning explosions in colour Television sets in the United States. I took it upon myself to raise the matter in questions in the House, and in correspondence with the Department of National Health and Welfare, asking that a check be made into the situation. I also corresponded with people whom I considered to be very knowledgeable on the subject. Some months ago, the Department of National Health and Welfare decided to take a second look at the relationship between coloured television sets and fires, and fatalities caused by such fires.

While my interest in the subject is a little different from that of the mover of the bill, I think there is a common denominator. Here, we are dealing with colour television operation, fires and other hazards that may result from same, which is a new and unsolved problem. While the department is taking a second look at the fires caused by the small percentage of sets involved, I think the endorsation of Bill C-24 and its reference to the Standing Committee on Health, Welfare and Social Affairs would be a practical and complementary step to take.

Without further discussion on my part, Mr. Speaker, I hope the House will see fit to refer this bill to the committee.

Mr. Keith Hymmen (Kitchener): Mr. Speaker, I am very pleased to have an opportunity to speak to this bill which relates to a matter of considerable importance and one which has been of increasing concern to the general public. It has also occupied the attention of television manufacturers and the various health authorities over a considerable period of time. The fact that I have one of the large national and international manufacturers in my riding explains my particular interest.

Any matter which affects or could potentially affect the health of Canadian citizens is certainly worthy of discussion in this chamber. I should like to congratulate the hon. member for St. John's East (Mr. McGrath) for introducing this bill.

Mr. McGrath: You could do a lot better by letting it go to the committee.

Mr. Hymmen: We have heard from the parliamentary secretary who has indicated the action taken by the Department of National Health and Welfare in the investigation of possible hazards from colour television sets. Perhaps I could go a little further into the question and try to evaluate the situation in the light of the information we have, and to relate it to the proposal put forward in the bill we are considering. To do this in a systematic way, I will address myself to three basic questions that come to mind and which must be answered before we can assess the merits of the bill.

The first and most fundamental question is: Is it true that colour television sets present a health hazard? The second question is: If so, what is the real nature of the hazard? And finally: If there is a health hazard, is the procedure suggested in the bill the most appropriate way of controlling the problem? I will deal with each of these matters separately, in turn.

Now, with respect to the first question, Mr. Speaker, are colour television sets dangerous? Everyone will be aware that there have been from time to time some very frightening accounts in the public press and in the news media. In some cases there may have been an element of deliberate sensationalism involved in these accounts, but in the main they were clearly attempts by responsible members of the news media to give a simplified account of what is, in fact, a highly technical problem—namely, the effects produced by radiation on the human body. The emphasis in these accounts was on the possibility of an increase in the incidence of leukemia and cancer and an increase in the number of births of deformed children. These are, of course, the known effects of excessive exposure to x-rays. I am sure that it was with these dire effects in mind that the bill we have before us was introduced by the hon. member for St. John's East.

There is no doubt that stories such as these have aroused a large measure of concern among all sectors of the public. That is why, Mr. Speaker, I was interested in reading in a popular publication the *TV Guide*, issue of

13-19 December, 1969, a feature article which purports to reveal "the facts behind the frightening headlines". Many members of this House may have read this article also. My copy came from the cash counter of a local supermarket and, being on display there, the publication undoubtedly has wide circulation. The article tries, in a sense, to debunk the idea that colour television is dangerous. The author, Mr. David Lachenbruch, has quoted statements made by many reputable scientists and public health officials in the United States. He has marshalled these statements in such a way as to support the proposition that there is almost no risk whatsoever.

• (5:30 p.m.)

For example, Mr. Speaker, the article reports that Dr. Lauriston-Taylor, president of the National Commission on Radiological Protection—that is the United States national commission—told a congressional committee that exposure as much as two million times the half-milliroentgen standard for television sets would not even produce skin irritation if applied to a small area of the body, and that in 30 years there had not been a single case of identifiable injury to an individual by low-level x-rays of the kind emitted by defective television sets.

It also reported that Professor Hanson Blatz, the radiation control director for New York city, told a congressman that viewing a set which radiated 24 times as much as the international standard for five hours a day at 2½ feet from the screen would expose the viewer to no more radiation than a resident of Denver normally gets with no television viewing at all. He concludes that the probability of detectable medical effects from x-rays emitted by faulty colour receivers is vanishingly small.

The article goes on to quote Dr. Victor P. Bond, associate director of Brookhaven National Laboratory, to the effect that even if the standard were exceeded 10 to 20 times, the doses and dose rates would still be very low, and that no medical effects have ever been demonstrated at such levels. It also refers to statements made by the greater New York chapter of the Health Physics Society. This society is said to have regarded the half-milliroentgen limit as having no relationship to the probability of injury to individuals; that there is no evidence to suggest that injury to individuals is likely even for chronic exposure at many times this intensity.

There are other categorical statements in the article, Mr. Speaker, that are not attributed to any named source. For example, there is the statement that a set emitting the maximum amount of radiation, that is, the half-milliroentgen or half-millirem limit, would expose the viewer to less than 5 per cent of the average amount of normal background radiation; and in a similar context, the statement that most luminous dial watches give off twice as much radiation as does a television set emitting at the maximum limit recommended by the National Commission on Radiological Protection.

These opinions, taken together, would seem to indicate that there is really no problem at all to be concerned with. I do not wish to suggest that the article gives a completely one-sided view of the question, but that is certainly the main theme that emerges. In fact, in summing up the discussion the author quotes the opinion of John C. Villforth, director of the Bureau of Radiological Health, Department of Health, Education and Welfare in the United States. His position on the subject was apparently given at an annual meeting of the American Public Health Association and would seem to be quite categorical. The quoted remark is: "There is no danger in colour T.V. I am confident. If you are at all apprehensive, seek the advice of your serviceman."

On the surface, this would appear to completely dispose of the concern that has been expressed elsewhere and which has led to the introduction of the bill we are considering. However, let us now compare this conclusion with the statements made by the Department of National Health and Welfare which were referred to earlier in this debate. The position of the department, as expressed by the minister in a news release, is that the health hazard of colour television sets is extremely small and that it can be considered negligible if viewing is conducted in normal viewing position. So far so good. However, the news release goes on to modify this assurance by adding that it is undesirable to remain in prolonged close proximity to the side or back of a set while it is operating. This then is where the real concern lies.

Now, Mr. Speaker, if we were to go back to Mr. Lachenbruch's article in the TV Guide, and examine the statements somewhat more critically, we would find that there is really no discrepancy between the opinions of the eminent United States authorities it quotes and those of the Department of National Health and Welfare. It will be clear on careful reading of the statements of the United

States authorities that they were referring to normal viewing conditions, a few feet in front of the set. Our Department of National Health and Welfare says that if such distances are maintained, the risk to health is extremely small, even if the set emits at a rate somewhat in excess of the standard. So there is agreement on this point.

However, our health department goes on to warn that prolonged proximity to the back or sides of a set is undesirable in view of the fact that emission rates in excess of the standard do occur for various reasons. This is likewise the opinion of some U.S. experts quoted in the article to which I referred. For example, Dr. Karl Z. Morgan, director of the Health Physics Division of the Oak Ridge National Laboratory is reported to endorse the watch-at-a-distance advice, noting particularly that "many children lie on the floor with their feet immediately under the colour television sets and with their faces almost glued to the screen for many hours of viewing". Furthermore, the U.S. Surgeon General has issued viewing rules for colour set owners that are essentially identical to the rules given by our Department of National Health and Welfare in one of its news releases, and these rules emphasize the desirability of maintaining a reasonable distance in front of the set when it is operating.

There is another point in the reassuring statements quoted by Mr. Lachenbruch that needs comment. Much is made of the fact that no identifiable injury has ever been reported and that no medical effects have been demonstrated. I am informed that these statements are literally true, but that the key words are "identifiable" and "demonstrated". Our Department of National Health and Welfare has repeatedly said that radiation effects are of a statistical nature, so that it is enormously difficult or impossible to demonstrate a direct connection between low-level radiation exposures and the occurrence of disease in a particular individual, even though connection has been demonstrated, somewhat indirectly if you like, and in two other ways: by research on animals, by extrapolation of the effects observed in human populations at high levels of exposure.

I think it is clear from what I have been saying, Mr. Speaker, that the hazard, although small, cannot be completely discounted. However, it is equally clear that the hazard exists only if there is prolonged proximity to the side or back of the set, not if it is simply viewed in the normal viewing position. One could argue that there is, thus, no hazard if the set is used in the manner intended, or reasonably anticipated, by the manufacturer; and one could well ask whether such a hazard should be subject to control by the government. Mr. Speaker, many things in the home are dangerous if not used with a certain degree of respect. A carving knife is a dangerous instrument, and there is some risk associated with almost all electrical appliances.

However, I think there is a distinct difference in the case we are considering. I will give two reasons for this: first, the fact that the hazard is from radiation makes it especially insidious. Radiation cannot be detected by any human sense and this is the reason we find it so frightening. It can be detected only by an expert armed with proper equipment. The second point I would call attention to is that television is becoming a focal point of family life. We and our children live in intimate association with our television sets for many hours each day. Therefore, even if the risk is exceedingly small, we must be sure that it has been reduced to the very lowest level that is technically feasible.

In fact, we may say that a television set that emits radiation is contributing to pollution of the environment—the home environment. Mr. Lachenbruch, in the article I referred to earlier, makes this point. He says that environmental scientists feel that non-useful radiation should be blocked and not permitted to add to the background level. We know that already there exists a substantial radiation background from such things as radioactive fall-out, cosmic rays, luminous dials, etc. Environmental scientists want to hold this background radiation to a minimum because of its collective potential to civilization as a whole.

• (5:40 p.m.)

In this connection, Mr. Speaker, I am reminded that it is the environmental scientists in the Department of National Health and Welfare who have had most to do with the studies mentioned earlier in this debate. There is an environmental health directorate in the department which deals with pollution of various kinds, including radiation pollution. Like scientists all over the world, they are concerned with increases in the radiation background, especially that produced by the increased use of technical devices in our modern technological society. People in this modern day absorb considerably more radiation from various sources than did their

forefathers. This is a worrisome development. Each new technological advance, if it involves a radiation device, contributes to the increase in the radiation pollution of the environment. Inevitably, this will lead at some point to the necessity for governmental regulation and control.

It is on these very general grounds that I could perhaps support the idea of control regulations for colour television sets, if necessary and feasible. This leads me to the final question of the three that I asked at the beginning. If we grant that some form of government regulation is necessary, is the present bill the most appropriate way of dealing with the problem? Let us look at this carefully.

What is proposed in the bill is an amendment to the Hazardous Products Act which would prevent the sale of television sets which emit radiation above the standard. A regulation of this kind may be effective in achieving the desired objective, or it may not. It would seem, according to the Lachenbruch article and the health department's news release, that most of the sets found to emit over the standard did so as a result of changes introduced during servicing operations. In both the United States and Canada sample, sets tested before sale checked out all right. It was only in sets examined after a period of use, when they had presumably received servicing to replace worn-out tubes, that excessive emission was noted.

It is true there were new sets which emitted over the standard back in 1967, but this was due to defective tubes in certain models. Since then the manufacturers have made many improvements and are checking their products more closely. The result is that there is now no indication whatsoever that any of the new sets placed on the market emit over the standard. This is not to say they will not do so later if they are improperly serviced, but my point is that the proposal in the bill would not prevent that kind of mishap in any even.

Furthermore, Mr. Speaker, according to Mr. Lachenbruch's article, manufacturers are making even further improvements which are designed to make servicing foolproof during the entire life of a set. They are doing this by introducing fail-safe electronic systems which are being gradually phased into production. Many manufacturers are doing away with the tubes which can cause radiation, replacing them with new types of solid-state components which cannot radiate. Others have improved shielding around critical circuits. Even the glass in picture tubes is being reformulated to provide greater resistance to x-rays. The question arises as to whether it is desirable to introduce government regulation while such developments are in progress.

If the proposed regulation were made, how would it be enforced? New designs appear to check out all right on randomly-selected samples. The difficulty lies in the possibility of failure in quality control which would result in some sets going onto the market with emission rates higher than the general run. It is not clear how the proposed regulation would prevent this kind of mishap or even bring it to light. Much would depend on the way the regulation was implemented. Then again, the technical specifications which would constitute the standard need consideration. I understand that in the United States, where similar regulatory action has been proposed, the proposed regulation is lengthy, complicated and highly technical.

I think the whole question needs a close examination by technical experts. A regulation that is not technically sound and based on the latest knowledge of the situation might do more harm than good and would perhaps lead to unproductive effort on the part of both the manufacturers and the regulatory authorities while doing no service to the public. As I understand it, the Department of National Health and Welfare is in close contact with the problem in all its technical aspects and has been so from the beginning. The minister can be expected to take whatever action is most advisable in full knowledge of all the circumstances.

Mr. Lloyd Francis (Ottawa West): Mr. Speaker, I, too, would like to congratulate the hon. member for St. John's East (Mr. McGrath—

Mr. McGrath: I am touched, Mr. Speaker; deeply moved.

Mr. Francis: —for introducing a subject which is very appropriate for discussion in this House, especially during this hour. One of the purposes of private members' hour—

Mr. McGrath: —is certainly not to pass legislation!

Mr. Francis: —is to call the attention of the public to matters which in the opinion of hon. members are worthy of public debate and should be considered as a possible basis for legislative action. The hon. member has

called attention to the hazards presented by colour television sets. I understand a bill has been introduced in the other place, Bill S-14, which is broader in scope and which would probably include the question under discussion. I regret that the mover of this motion did not take the opportunity to tell us more about the reasons which impelled him to put this measure before us.

As I say, we have an opportunity in the Parliament of Canada, particularly at this hour, to call for public debate. Public debate is the basis for the formation of public opinion, the basis upon which measures might ultimately become the policy of the government. In debates such as these, ideas are put forward and tested, and the logic which hon. members contribute in the course of their deliberations is put to rigorous examination.

I listened with great interest to the hon. member for Surrey (Mr. Mather), the hon. member for Parkdale (Mr. Haidasz) and the hon. member for Kitchener (Mr. Hymmen). The hon. member for Surrey, like the hon. member who moved this motion, intervened only briefly in the debate. It is clear that this is a matter which calls for careful consideration. There have been reports in the press of potential radiation hazards, as well as of a potential fire hazard, as the hon. member for Surrey pointed out. The hon. member for Kitchener made some useful comments, calling attention to the fact that investigation into this problem did not simply mean an examination of the technical features of radiation; it is broader than that.

Colour television has come to be an essential part of Canadian family life in large areas of this country. My family acquired a colour television set last year and I was astonished at the nature of the response of members of the family to it. As Professor Scanlon of Carleton University stated, colour television leaves a different impression qualitatively. Family reaction to advertising, for example, is significantly different in a sociological sense; the impression left on young minds is deeper and more lasting. We cannot ignore the fact that we are dealing with something which is very much entrenched our way of living.

• (5:50 p.m.)

As the hon. member for Kitchener stated, it is doubtful whether the correct way of dealing with this difficulty is to pay attention simply to the standard of the product as it leaves the factory. Effective supervision would seem to call not only for technical supervision of manufacturing operations but for inspection on delivery, installation and the work of service and repair, as well as periodic testing to make sure there is no deterioration of components likely to result in hazard while in use. Not least, there is need for a program of public education to train viewers in good television habits. The set should probably be placed against the wall. There should be a minimum distance between viewer and set. As has been pointed out, children are sometimes accustomed to lying around with their feet underneath the set in an area where, if there is a radiation hazard, the hazard would be at its maximum. Careful viewing habits, careful servicing habits and a major public education program: these are the measures that have to be considered in addition merely to limiting, as proposed by the hon. member.

I am confident that we have not heard the end of this kind of proposal, which is a very serious one indeed and well worthy of debate. I am confident, too, that the Minister of National Health and Welfare (Mr. Munro) is as acutely aware of the problem as any member of this House. I have before me a series of press releases dealing with colour television, the latest in December of last year. They relate to reports on the hazards of colour television sets and to investigations that have been conducted, as described by the hon. member for Parkdale, with the co-operation of some 400 families, who assisted in making a survey of viewing habits and the performance of television sets in a number of Canadian homes.

It is clear that there has been a marked improvement in the quality of sets that are now being produced by the manufacturers. Year by year the number of defective sets in the sense of those that emit radiation has been reduced. It is quite clear that there is a substantial measure of voluntary compliance by the industry, as the hon. member for Kitchener pointed out. Much still remains to be done.

Again I wish to commend the hon. member for introducing this measure. I hope that when the matter comes before the House again he will give us the benefit, in a more extended way, of his views as well as a recital of the events that motivated him to bring the measure before the House.

[*Translation*]

Mr. Paul Langlois (Parliamentary Secretary to Minister of Consumer and Corporate Affairs): Mr. Speaker, first of all, I should like

to congratulate the hon. member for St. John's East (Mr. McGrath) for introducing a bill. Personally, I was hearing him for the first time speak of a question that has nothing to do with fisheries.

I know that he is a good speaker and that his arguments are quite striking. I am surprised to see that he did not take advantage of the twenty minutes at his disposal to explain the benefits embodied in his bill with all the vigour and conviction that he usually demonstrates.

Evidently, houses in Canada as well as in other countries are very dangerous places. There we are surrounded with objects that sometimes present quite serious hazards. A great many electrical appliances are found in the home. Everybody knows that an iron or a kettle can inflict burns that can be fatal. Electric knives carelessly used can cause very serious injuries. In fact, nearly every item in our houses, especially electrical appliances, presents some hazard.

I congratulate the member for St. John's East for urging all Canadians to be careful at home. Many accidents could be avoided and people should be advised about prevention.

I am particularly concerned about accidents which can happen to the young and cripple them.

[*English*]

I should like to say a few words in English, Mr. Speaker, to demonstrate to my hon. friend from Newfoundland that even though I am not a master of Shakespeare's language, I can say a few words in his mother tongue.

Mr. McGrath: On a question of privilege, Mr. Speaker, my mother tongue happens to be the Irish language.

Mr. Langlois: Then I will join him after six o'clock, if he does not mind, for a drink of Irish whiskey.

The Department of Consumer and Corporate Affairs is naturally concerned about such problems. Its concern is not only with the welfare of the consumer in the marketplace but with his physical safety. One of the important elements in the consumer program is the Hazardous Products Act. The bill was introduced—

Mr. Deputy Speaker: Order. I am sorry to interrupt the parliamentary secretary, but it is six o'clock. The sitting is suspended until 8 p.m.

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

NATIONAL PARKS ACT

AMENDMENTS RESPECTING DEFINITION, ACQUISITION, ADMINISTRATION, ETC.

The House resumed consideration of the motion of Mr. Chrétien that Bill C-152, to amend the National Parks Act, be read the second time and referred to the Standing Committee on Indian Affairs and Northern Development.

The Acting Speaker (Mr. Béchard): Order. I recognize the hon. member for Fundy-Royal (Mr. Fairweather).

Some hon. Members: Hear, hear!

Mr. R. Gordon L. Fairweather (Fundy-Royal): Thank you, Mr. Speaker. This applause is a deeply moving expression of the sympathy that hon. members feel, on an Ottawa winter night, for the problems of our national parks, one of which is in the constituency of Fundy-Royal. It is time I made a constituency speech.

Mr. Woolliams: The Liberals are all huddled together.

Mr. Olson: They stick together. That is something you haven't learned yet.

Mr. Fairweather: Fundy National Park lies in the corner of Albert county in New Brunswick, 50 miles west of the city of Moncton. It skirts the Bay of Fundy for a distance of about eight miles and extends inland for more than nine miles, containing an area of about 80 square miles. In the concept of the great western national parks, this is small potatoes. In fact, I understand that Fundy National Park is the second smallest in area of any of our national parks.

The park itself is typical of the bold, irregular shore line along the Bay of Fundy which features steep, perpendicular, sandstone cliffs indented by many coves and inlets which have cut deep gulleys through the landscape. The park was visited last year by about 700,000 people, which is an infinitesimal decline from the high of 1968. The surrounding country is historic in the sense that it has provided a Prime Minister of Canada, a rebellious Tory known as Richard Bedford Bennett, and a renegade Tory known as

W. A. C. Bennett who is the Prime Minister, or Premier, of British Columbia. It is also the home of a great number of citizens who see in the park an opportunity to play host to visitors from the North American continent.

Within a thousand miles of Fundy Park are 35 million people, Canadians and Americans. It is my considered opinion that medical prescriptions in the years ahead will not be so much for drugs and other antidotes, or things of that type, but rather that medical men will prescribe a period of time to be spent in one of the national parks of this country. This is a heritage that we parliamentarians are trustees of and have an obligation to uphold at every opportunity.

I am a little troubled because of a difficulty in Fundy Park which I think has no ready solution. The park this year and last year has been subject to the most severe epidemic of the spruce budworm known in recent history, in any event, in our part of New Brunswick. Here is the interesting phenomenon of nobody being quite right, because we have a very good and loyal servant of Her Majesty in the parks service anxious to have the budworm manifestation stemmed by a spray; we have an equally thoughtful servant of the Crown anxious to preserve marine and other life; there is no ready solution to absolute positions here, and very serious choices have to be made. One of the officials in the parks service has advised that unless something is done to stem the budworm, the park will not be a national park; rather, it will be a national pasture.

I do not pretend to have the expertise to know how one reaches a solution to these widely divergent problems. I think that when and if the bill, with the amendments that have been suggested rather forcibly during the course of this debate, is passed, it will mean that the planned development of Fundy National Park can go ahead. When I visited it last summer the superintendent told me that on a good many nights during the season the camping facilities were overextended by about 25 per cent. This is an indication that there should be a great deal more development in this particular park.

• (8:10 p.m.)

I hope, also, that an examination will be made of the use of our parks, particularly in eastern, maritime or Atlantic Canada, for winter sports because it is almost impossible, or at least it is very difficult, to have any development in the private sector when the season is so pitifully short. When consideration is being given to an extension to Fundy National Park I hope the planners within the department will seriously consider extending the park boundaries westward toward the village of St. Martin's and include a much hoped for Fundy vacation trail. Such a trail, in its early stages, might be developed as a hiking trail and later, when inflation and other problems are licked, be developed into a scenic highway.

New Brunswick is fortunate in having the expectation of a second park. There is one park with a rather awkward but eloquent name. It is an Indian name, Kouchibouguac. This park is situated on the western side of Northumberland Strait, where advantage is taken of the much warmer salt water. There is also very interesting topography there in the eastern Acadian part of the province. When this development becomes a part of our parks system, I hope it will not mean that Fundy National Park will be in any way starved for development funds.

During the course of the debate I have been interested in some of the problems I have heard, particularly concerning the permanent residents of our parks system. If I might make sort of a buckshee suggestion, it would seem to me one of the main problems facing the residents of Banff and Jasper is a pretty fundamental one of the lack of au onomy over their own affairs. This is 1970, and the concept of autonomy in political participation by citizens who pay taxes has been rather well established through the century. I do not think it should be necessary for anyone to defend this principle in the House of Commons of Canada in the early months of 1970. So I would hope the department would resolve this problem quickly and give the residents who are affected the fullest autonomy over their affairs. In this way many of the difficulties, surely, would be ameliorated.

The major concept of the national parks system continues despite flak and despite difficulty in enunciating a sensible system of autonomy. This will come, and perhaps it will come as a result of amendments to this bill. If I might use a cliché, we must make no mistake about it; we need not curtail in any way the availability of the parks system to the citizens of this country. I hope an early announcement will be made about national parks for the Yukon and the Northwest Territories where there are priceless assets. One might almost describe these assets as being fundamental to our Canadian ethic. I hope these assets are

preserved and kept for the nation, a nation whose population it has been predicted will increase greatly before the end of this century.

I plead for flexibility in our parks system. It is rather awkward to even suggest this, but I plead for a measure of autonomy for the permanent residents of our parks. I plead, also, for the preservation of a large part of our nation for the use of our citizens. It may be that we are rapidly reaching the point of no return in this regard. I hope we will move ahead in acquiring the necessary land. After all, we are the trustees of this land.

Goodness knows, there is ample evidence in the United States about the urgent need for a large playground. We are reaching a time when because of technological advances man will work fewer hours a week. Some people, believe it or not, will have no work at all to do. This is pretty difficult for the puritan ethic to digest, but it will be the case. Therefore, it becomes increasingly important that the government and the state provide an outlet for the energies, abilities and recreational needs of our citizens.

It is difficult to establish this point in a debate of this type, but I think the wild country, the natural country, is an important factor in maintaining a balanced and civilized humanity. I hope there will be amendments to this bill and that we will not turn our backs on what has been done in this field by a very great number of civilized Canadians in earlier times.

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, in rising to speak on this bill I would suggest that the principle enshrined in it makes it a very bad and undesirable piece of legislation. I believe the principle should be established that the minister and his department should be directly responsible to the public whom they serve.

This bill is simply a device to enable the government to avoid answering for its actions. It is a buffer between the real park proprietors and those members of the public affected by the policies they lay down. The new Crown corporation will not be a free agent; it will be a creature of the cabinet. Yet the minister concerned will always be able to wiggle out of answering legitimate questions in the House by claiming he cannot interfere in the affairs of an autonomous agency established by Parliament. It will be yet another page in the frustrating story so well illustrated by the CBC, the National Film Board and the like.

[Mr. Fairweather.]

The question of national parks in Canada is preponderantly one of concern to the people of western Canada because that is where all the park land to speak of is situated. As recently as two years ago, 86 per cent of all national parkland was in the west. Yet the control of that land lies in central Canada. Policy is established here in Ottawa and administered by officials, many of whom know a national park only as an area on the map. This is a flagrant example of absentee landlordism at its worst. It is comparable to what happened in Eire in the last century.

• (8:20 p.m.)

The federal government controls this land entirely, yet it does not want the bother of looking after maintenance and collecting rents. The government has done what the worst absentee landlords have always done throughout history—named an agent to do the dirty work and stand as a buffer between its comfortable existence and the irate tenants.

I have a letter from a resident of Lake Louise who charges that the director of parks has spent only a few days in the west, but he will have considerable say in the affairs of people who are directly dependent upon the good operation of the park areas for their living. This letter was sent by Mr. Jack McDowall of Lake Louise to the hon. member for Brandon-Souris (Mr. Dinsdale).

With more than three-quarters of the national parkland in the west, and the dictatorial control of its destiny held firmly in Ottawa, is it any wonder that westerners are sceptical of the treatment they and their parkland will receive? Is it any wonder, Mr. Speaker, that westerners are more and more coming to doubt the benefits to them and to their area of staying in a constitutional set-up where they are repeatedly ignored and their rights and interests continually slighted in deference to the interests of central and eastern Canada? This sort of legislation is just another open invitation to secession, another example of prejudice and discrimination.

The evils of this type of remote control are not too hard to find. Such administrative methods are bound to lead to mistakes and to inappropriate action. Areas have been mishandled and are still being mishandled due to this cumbersome and distant system of control. One good example is in my own province of Manitoba. Riding Mountain National Park should not be maintained in its present role of wilderness reserve. Instead,

new areas to the north, and away from the march of development, should be taken for this purpose.

Riding Mountain National Park was made over to the federal authority in the late 1920s at a time when no one had a very clear idea of what a national park should be. Now most Canadian provinces have clear-cut parkland policies, sound programs of development and maintenance and a good understanding of the recreational needs of their populations. They have tremendous know-how and experience. I believe Riding Mountain National Park could well be turned back to the province of Manitoba and a fresh area taken up for wilderness preservation.

This park is situated slap in the middle of a well-built and developed area and astride an important provincial road link. It is 70 miles deep and 30 miles wide. This huge area inhibits development of a tremendous area of central Manitoba and makes the social and business life of the region unnecessarily difficult because of the wide detours that its wilderness state makes necessary. Highway No. 10 runs through the middle, but the park part of the road is in such poor shape that travellers are forced to skirt the park and make wide detours. If this were a provincial park it could accommodate recreational facilities, reasonably good roads and appropriate commercial enterprises. Now it is a dead area in the centre of a developed region of great potential.

The present national parks policy is not suited to Riding Mountain Park as it is situated. The area is not a mountain at all but is really an escarpment, a plateau that should form a natural part of the agricultural community surrounding it. From the days of the fur traders the park has been traversed by people, but now people are prevented from going back and forth easily through the park. The problem posed by this park is only one of the many faced by westerners who must look to a distant and disinterested administration in Ottawa for answers. The Crown corporation that this bill seeks to set up will simply add another layer to the protection afforded the government by the rigid and dictatorial bureaucracy that we have had so far.

In closing, Mr. Speaker, I think the present parks policy of wilderness, so far as it concerns the Riding Mountain National Park, is very ill-suited to that area. Not all parks can be treated the same if we are to have any reasonable development of our parks at the national level. For these reasons I disagree entirely with the principle of this bill.

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, earlier today we heard an important announcement by the Prime Minister (Mr. Trudeau) to the effect that the government was proposing to set up an information bureau that would be known as Information Canada. According to the Prime Minister's statement, one of the purposes of Information Canada is to hear the views of the people of Canada and their reaction to public policy.

The other afternoon when this bill was brought before the House, the members of the opposition took a firm stand, to the point of moving the adjournment of the debate because of the absence of the minister from the House. The Prime Minister was careful to point out that the new information bureau the government is proposing would serve the purpose not only of distributing information to the people of Canada and hearing their views, but of listening to the views of hon. members of this House, the elected representatives of the people.

It is quite obvious that the minister, who is conspicuous by his absence tonight, is not going to pay the slightest heed to anything that is said in this chamber. By the same token, it seems obvious that the statement of the Prime Minister this afternoon about Information Canada is so much hypocrisy, because it is fundamental to the democratic process and to the parliamentary process that a minister's first responsibility is to listen to the tenor, the tone and the content of debate in this House and that government decisions be influenced accordingly. There is not much we can do about it now, I suppose. It will be taken care of by the electorate of Canada in due course. However, I think it is the duty of members who will take part in this debate to protest as strongly as they can this ministerial arrogance, which I submit is tantamount to the old adage, "Don't confuse me with the facts: my mind is already made up."

Mr. Kaplan: Mr. Speaker, would the hon. member permit a question?

Mr. Dinsdale: Certainly.

Mr. Kaplan: Is the hon. member aware that our debates are recorded?

Mr. Dinsdale: That is a typical remark by a Liberal—

Mr. Woolliams: A fellow that was booed in Toronto.

Mr. Dinsdale: —backbencher who would like to reduce—

Mr. Woolliams: The great white paper boy!

Mr. Dinsdale: —the parliamentary process to an exchange of notes, to the written word rather than to the spoken word. He does not even understand that the basic meaning of the word "Parliament" stems from the French "to talk."

Mr. Ricard: They have even to give notice of their intention to speak in caucus.

• (8:30 p.m.)

Mr. Dinsdale: Yes, I understand that the freedom of speech on the part of the backbenchers of the government party has been restricted to the extent that they have to give notice in order to be heard in their caucus. It is an unhappy and tragic day for the health and welfare of this high court of public opinion. This is where the action should be. This is where the voice of the people should be heard—through the elected representatives, and not read in the newspapers.

Some hon. Members: Hear, hear!

Mr. Dinsdale: It is not only with respect to the parks problem that the actions of the Minister of Indian Affairs and Northern Development (Mr. Chrétien) are causing concern. He is in difficulty with our first Canadians, the Indian citizens, because he will not listen to what they want to say with respect to decisions concerning their own destiny. He will not accept the basic principle of democracy, namely, the right of self-determination. The same situation prevails with respect to Eskimos in northern Quebec who have let it be known that they are being denied their traditional rights and protection of the department and are forced to cross to the Northwest Territories, particularly to Cape Dorset.

The minister is in difficulty over the question of sovereignty in northern Canada, and with respect to greater autonomy in the Yukon and the Northwest Territories because he will not listen to the *vox populi* and to the people who are most concerned with policy matters in his department.

This evening I want to deal with one or two matters that have been raised already in the course of the debate which were deliberate attempts to distort the record with respect to the past policy on national parks. This process of distortion was begun by the minister

when he tabled a letter a few weeks ago in the House which he claimed indicated that the arrogant, autocratic and bureaucratic policy set down in the bill that is now before the House—and which is represented by the attitude of the minister—was begun at the time I had responsibility for the administration of the parks of Canada. At that time I raised the issue as a question of privilege and claimed the right to table documents that would complete the record and clear up the minister's insinuation.

I was not permitted by members on the government side of the House to table these documents. Tonight I will take the opportunity to read into the record a statement from the people most concerned, with respect to their attitude toward the arbitrary action of this government. This letter is dated January 21 and comes from the Banff Advisory Council. It is addressed to myself and reads as follows:

> Press reports indicate Mr. Chrétien has brought you and your administration into the fray. We are most happy that he has.
>
> Attached is a copy of your letter dated January 5, 1962, which clearly indicated you were prepared to use the provincial assessment.

This is with respect to the current controversy in the western parks which results from the reassessment of leasehold rentals in the western parks up to the level, in some instances, of 4,000 per cent. Talk about inflationary tendencies and trends!

Mr. Honey: Mr. Speaker, could I ask the hon. member a question? He is reading into the record a letter and has referred to an increase of 4,000 per cent. Can he substantiate the allegation about the 4,000 per cent?

Mr. Dinsdale: I shall not be deterred from the purpose I have in mind, which is to read the contents of this letter into the record in order to straighten out the distortions that were deliberately placed on the record by the minister responsible.

Mr. Bell: Where is the minister now?

Mr. Basford: Who wrote the letter?

Mr. Nesbitt: The minister will not come into the House.

Mr. Dinsdale: To quote the words of the minister the other day, the parliamentary secretary is obviously responsible and capable. Perhaps, as somebody said, he is more capable than the minister himself, and I am

sure he can verify himself the fact I brought out. The letter continues as follows:

We still find the "standards and principles of the province of Alberta" acceptable.

Mr. Basford: Who wrote the letter?

Mr. Dinsdale: That was the formula we had laid down for any reassessment of leasehold rentals. I hear the minister of corporations and high prices asking me who wrote the letter. The letter was written by the president of the Banff Advisory Council, which represents the voice of the people in the Banff National Park. I want to point out the problem that is created by this bill.

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

Mr. Dinsdale: Mr. Speaker, I believe I have the floor.

The Acting Speaker (Mr. Béchard): Order, please. The parliamentary secretary is rising on a question of privilege.

Mr. Honey: I may have misunderstood the hon. member, but I gathered from the last exchange we had—

Mr. Ricard: Is this a question of privilege?

Mr. Honey: I will state it, if hon. members will not get so excited.

Mr. Woolliams: Mr. Speaker, surely you will not allow the hon. member to interrupt.

The Acting Speaker (Mr. Béchard): Order, please. We already have a question of privilege.

Mr. Woolliams: I appreciate that, but—

The Acting Speaker (Mr. Béchard): May we have order, please.

Mr. Woolliams: I appreciate that, Mr. Speaker, but why should we disrupt the order of speeches?

Mr. Honey: My question of privilege is with respect to a statement made by the hon. member regarding an increase in rental of 4,000 per cent. I asked him whether he would give the House details of the allegation. I understood the hon. member would do so when he had finished reading the letter. I am asking him now whether he is prepared to do so.

Mr. Woolliams: Stop buzzing like a bee.

Mr. Dinsdale: Talk about Information Canada! I think the name of the new agency should be Misinformation Canada. The red herrings that the hon. parliamentary secretary is drawing at this time are indicative of that.

Mr. Honey: Answer the question.

Mr. Nesbitt: Where is the minister?

Mr. Dinsdale: This problem affects particularly the national parks of western Canada and is further discrimination on the part of the government against a region of Canada which is already in a very serious state of alienation because of the arbitrary action of the present Liberal administration. One of the reasons for this feeling of alienation and isolation is that the government refuses to listen to the responsible representations of the people who live in the western provinces. Whenever the responsible voice of the westerner is heard with regard to the national parks, the minister and other spokesmen for the goverment immediately apply the red herring tactic by suggesting that it is only the avaricious, commercial interests who wish to preserve the traditional rights of the western national parks.

Let me point out, so there will be no mistake in this matter, that western Canada has the real need for the preservation, conservation and wise management of our natural resources has been recognized. There are no national parks in the province of Quebec. There are only minor national parks in the province of Ontario. Why? Because those provinces are not willing to make available the land that would be required for national parks purposes. There has been a tentative suggestion that the government of Quebec would make land available in the Gaspé, but on the basis of special privileges such as a 99-year lease rather than surrendering it to the Federal Crown in perpetuity.

• (8:40 p.m.)

Let there be no mistake about this matter. Western Canada is accused of being avaricious and predatory with respect to its natural resources. I would give the lie to that statement by indicating that it is only in western Canada that huge areas of land have been made available in the interests of the preservation of these resources for the present and future generations of Canadians, as the National Parks Act specifies.

There are also parks in the maritime provinces, but there is no leasehold problem there.

In the early days when parks were first established in the west, population was comparatively small but distances were great. Townsites were already established, particularly in Banff and Jasper, which made it necessary for the government, in coming to terms with the provincial authorities on the development of national parks, to provide for leaseholds in perpetuity.

I want to deal with the question of perpetual leaseholds because it is the essence of the complaint that has been bothering the residents, particularly of the mountain parks, during the past few years. When the hon. member for Rocky Mountain (Mr. Sulatycky)—who should know better because he is the spokesman for the residents of these parks, their only voice in this House, even though the minister will not come in and listen to him—attempts to imply that the policy of cancellation of leaseholds in perpetuity in western national parks was as a result of the prior administration, he is serving as an apologist for the government.

Mr. Woolliams: Right.

Mr. Dinsdale: Is he serving the interests of the people he represents and doing his duty as their spokesman in this House of Commons? I have here an official statement from the National Parks Branch which reviews the whole leasehold situation from the latter 1950s when a moratorium was declared on further leaseholds, further alienation of land for national parks, until a total review of all western parks could be made and a master plan developed which would ensure that those parks would meet the high standards required under the National Parks Act. In 1963 the principle of perpetuity was cancelled by the then Liberal government, and this is the point where the controversy began. I have here, in the statement from the parks branch, clause 7 which states: "Under the present minister", referring to the minister who came into office in 1963—

Mr. Woolliams: You mean the new Senator.

Mr. Dinsdale: Clause 7 states as follows:

(a) On assignments leases are changed to 42-year non-renewable leases instead of leaving the leases basically unchanged until they come up for a normal renewal date.

(b) Normal renewals of perpetual renewal leases are for a term of 42 years only instead of the 42-plus 21-leases initiated by the previous administration.

(c) For non-commercial residential properties, new leases for previously unalienated land, leases issued on assignments and leases issued as normal renewals contain a clause providing for payment to lessees of compensation for improvements at fair market value.

That is a statement from the parks branch. I would be very happy to supply the hon. member for Rocky Mountain with a copy of it for his edification. I hope he did not intend to deliberately distort the record, because if so he is doing a serious disservice to the people of the west.

Mr. Sulatycky: Mr. Speaker, would the hon. member permit a question?

Mr. Dinsdale: Certainly.

Mr. Sulatycky: Is it not a fact that between 1958 and 1963, 252 perpetual leases were not, in fact, renewed?

Mr. Dinsdale: Mr. Speaker, if that was the case, it was contrary to government policy and was done outside the minister's knowledge. As a matter of fact, when complaints concerning problems of this kind came to my attention I made an extensive tour of the national parks to meet with the Advisory Councils of Banff, Jasper and the other parks to ensure that there would be no injustice in this regard. I did not tell the people that if they did not like it they could get out of the national parks. We listened to their representations and, as the letter indicates, the people were quite happy.

Mr. Sulatycky: But the hon. member does not deny that 252 leases were not renewed between 1958 and 1963?

Mr. Dinsdale: Mr. Speaker, I am shocked that the hon. member for Rocky Mountain (Mr. Sulatycky), who I thought was an able representative—

Mr. Orange: He is.

Mr. Dinsdale: He has joined the hon. member for Northwest Territories (Mr. Orange) in that when it is a case of the government versus the people—

Mr. Orange: Answer the question, Walter.

Mr. Dinsdale: —they come down on the side of the government—

Mr. Orange: Answer the question. There were 252 leases under your signature.

Mr. Dinsdale: I shall send a copy of this official departmental statement to the member for Northwest Territories who, confidentially in conversation with me, tells me that he

disagrees with the arbitrary, bureaucratic approach of the National Parks Branch in this regard.

Mr. Orange: Mr. Speaker, I rise on a question of privilege. I am sure the conversations I have had with the hon. member for Brandon-Souris (Mr. Dinsdale) have not resulted in discussions regarding the effectiveness or otherwise of members of the public service or the policy of this government. We may have talked about the policies of the government, confidentially, which he agreed with in those days.

Mr. Dinsdale: So much for Information Canada. God help the people of Canada with this sort of nonsense going on amongst their elected representatives.

Mr. Speaker, there is certainly need for the implementation of a comprehensive plan for our national parks which meets the problems well known by everyone concerned with these matters; that is, the increase in leisure time, population explosion, mobility created by roads and cars, and the impact of tourism.

In 1963 the former administration announced a policy which was designed to adapt the parks to the changing circumstances and needs of the people. At the same time it was necessary to operate on the basis of the proposals that came out of the Resources for Tomorrow Conference, that is, wise management and multiple use. Essential to the plan was the setting up within the department of a planning division which, as I have already intimated, was to review development in each of the western parks—this is essentially a western problem—and to come up with a master plan that would see the adequate development of the parks to the end of the century.

• (8:50 p.m.)

Basic to the plan was a zoning policy which would consist of three zones. The townsite or service centre would deal with the problems of Banff and Jasper, permanent townsites, and also with some of the other western parts where there are substantial service centres that operate during the summer months. There would be a buffer zone which would provide camping facilities for the people who wished to get into the recreative environment of the national parks. Finally, there would be a wilderness zone which would remain in a completely undeveloped, wilderness state. This would ensure the preservation of these unique land areas, flora and fauna, for all future generations.

A vital part of the plan was that it would be in touch with regional needs because Canada is a big country with different regional requirements. There is provision for the decentralization of administration. An office was established in Calgary for the purpose of coming to a closer realization of the particular needs of the western national parks. So that there might be autonomy in the townsites, town managers were appointed in order to relieve the superintendents of the park areas from the responsibility of administering the problems of the townsites.

There were also plans afoot for new national parks, because the number of national parks, in the face of the growing demand, must be doubled immediately if we are to meet the needs of our people for recreational facilities. Terra Nova, Newfoundland, and a new national park in Nova Scotia were established. Negotiations were under way for parks in the Northwest Territories, Yukon, and for the preservation of that unique land in southwestern Saskatchewan, the cypress hills prairie lands, the home of the prairie dog, as extolled in the old song, where the deer and the antelope play.

There has been no real progress along these lines in the last seven years except for repeated announcement that new national parks will be developed. A federal-provincial parks conference was established so there would be continuous communication between the federal and provincial authorities. It is primarily a provincial problem, involving alienation of provincial land. The provinces of Ontario and Quebec are reluctant to permit the alienation of their land to the Crown. Little wonder, for we have a minister who refuses to accept his responsibility for listening to the advice and helpful information that hon. members concerned with these problems can offer.

More important still, again arising out of the Resources for Tomorrow Conference of 1961, a private group was established concerned with our national and provincial parks. We now have a Provincial and Federal Parks Association which has been making an excellent contribution to the on-going discussion concerning the preservation of our park resources.

To indicate that there was some public approval of the plan, an editorial in the *Albertan* of January 25, 1963, following the announcement of the program that I have

outlined briefly tonight was headed, "Bravo, Mr. Dinsdale!". The editorial wholly endorsed the plan which was laid down at that time. There was a similar editorial in the Calgary *Herald*. Both these editorials arose from the fact that the announcement was made in the province of Alberta which perhaps has the largest land area devoted to national parks.

The situation has deteriorated sadly since that time. The government has arbitrarily cancelled perpetual leases. A parliamentary committee went to the mountain parks three or four years ago and for three days listened to the voice of the people there. I thought they made a convincing case, but the government decided otherwise and came up with this leasehold Crown corporation as a solution to a problem that was becoming embarrassing to the government. Incidentally, this is not a new act. It was first proposed in 1967, as I recall, before the last election. Because it was politically embarrassing, the government decided not to proceed with it. As a result of the administrative decree which had arbitrarily removed fundamental rights of the people—

The Acting Speaker (Mr. Béchard): Order, please. The hon. member's time has expired. He will be allowed to continue only with unanimous consent of the House.

Mr. Sulatycky: Could I ask the hon. member another question?

The Acting Speaker (Mr. Béchard): Does the House give unanimous consent?

Some hon. Members: Agreed.

Mr. Sulatycky: Is the hon. member for Brandon-Souris aware of the recommendation of the Glassco Commission, that the commissioners of the national parks be part of an autonomous commission? This proposal stemmed from that. This was in 1962, Mr. Speaker.

Mr. Dinsdale: I am aware of the voice of the people of the Rocky Mountain constituency which is opposed to what the government is now suggesting. Surely, the voice of the people of Canada should take priority over the task forces, the commissions, royal commissions, Information Canada and all the other administrative bodies which have no authority or responsibility to the people of Canada. Surely, the voice of the people is much more important than these faceless bodies.

[Mr. Dinsdale.]

Because of the arbitrary administrative decree which removed a fundamental right of the people of the parks which had been granted by the Crown, the people took the matter to the Exchequer Court. The Exchequer Court upheld the rights of the people. Now the minister, great democrat that he is, has taken this question to the Supreme Court of Canada to try to have the opinion reversed. The latest controversy revolves around the exhorbitant increase in leasehold rentals to which I have already made reference. My friend the parliamentary secretary disputes the figures. Unfortunately, I do not have time to go into a detailed analysis; but as was pointed out in the letter which I read, the residents of the park are quite happy with the provincial assessment rates as the basis. They are the ones affected by the exhorbitant figures to which I have already referred.

The protests of the people of the national parks is a western protest. Surely, the government is not so insensitive to the problem of national unity in this country that it refuses to regard this as a special regional problem in the west. An article in the January 16, 1970, edition of the Calgary *Herald* is headed, "Chrétien tells Banff 'Like it or Leave'." There is real, responsible democracy for you!

My time is rapidly coming to an end. I want to indicate that there is a need for change and reform with respect to the administration of the western national parks. I think the other provinces should come into the national parks system. We need a rapid increase in the number of national parks available. We need recreational parks. There was a program all set to roll which would have provided financial assistance to the provinces to expand their recreational parks network.

• (9:00 p.m.)

In addition, in the light of the unhappy experience in our western national parks, we need to reinforce the zoning principles laid down in 1963 so that there could be a special category of parks which might well be called national wilderness parks. The zoning principle was designed to prevent any further deterioration of the wilderness in the western parks. Westerners, above all others, realize the importance of preserving this aspect of our national resources. The boundaries of wilderness parks and the zoning in national parks have to be established by legislation because, obviously, the government cannot be

trusted to adhere to policies which it has itself enunciated in the past.

The townsites require special administration, which again ought to be dealt with by special legislation. Banff and Jasper were towns before they were included in national parks. Surely, it is the essence of bureaucracy gone mad to try to ignore the fact that Canadians live within the national parks in townsites, on a permanent basis. They, too, are entitled to the same rights as all Canadians. They are not avaricious. They are not seeking personal aggrandizement. Indeed, they are in the forefront of those who insist that the national parks be preserved and developed in accordance with the highest possible standards.

In addition to the zoning, which has been accepted by the residents in the national parks, I think we should become seriously concerned about the establishment of national seashore sanctuaries. This demand is given even greater urgency by what is happening off the coast of Nova Scotia today. We should also be preserving the primitive wilderness along the course of some of our great national rivers. These are the things we should be concerned about, instead of becoming bureaucratically involved in further removing the fundamental rights of Canadians who live in the national parks of Canada, people who have developed those parks and made a unique contribution to the quality of Canadian life everywhere in so doing. Some of them have made this their life's work. Now, because of this arbitrary legislation, they are likely to see it swept away, not even by elected parliamentary representatives but by faceless figures operating under the protection of a Crown corporation.

I know this attempt to get a response from the government is like shouting into the wind, because when it comes to western members the government has demonstrated time and time again that it has not the slightest intention of listening to the elected representatives of the people. I plead with the government, in the interest of peace, order and good government in this country, to listen. It is not good enough for the minister responsible for developing this important aspect of public policy to absent himself from the House because he does not want to listen to the elected representatives.

I began by pointing out that Information Canada amounts to so much nonsense and possesses all the ominous overtones of an effort by a government arrogant long before its time to develop a propaganda machine which will confuse the issue to such an extent that the people will scarcely know what their rights and privileges are.

The Acting Speaker (Mr. Béchard): Order. I regret to interrupt the hon. member, but his time has expired.

Mr. Dinsdale: I was interrupted on several occasions, Mr. Speaker, and the clock indicates—

The Acting Speaker (Mr. Béchard): Does the House give the hon. member unanimous consent to continue?

Some hon. Members: Agreed.

Mr. Dinsdale: I can complete my remarks in a few sentences. I was about to conclude by pleading with the government to listen to the voice of western Canada. It is a responsible voice. Western Canada has made huge areas of its territory available for the preservation of regions of special beauty, as the hon. member for Dauphin (Mr. Ritchie) has indicated. The parks are among the few areas near the prairies which offer an opportunity for recreational benefit and refreshment to the people. The people of Canada who work in the parks, and who are directly interested in them, are just as concerned about their development in accordance with the highest standards as are the officials of the Department of Indian Affairs and Northern Development. Let us not stir up trouble and division in this country by passing arbitrary administrative legislation, which is the only description I can give to Bill C-152.

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

The Acting Speaker (Mr. Béchard): The hon. member's time has expired. Furthermore, if the parliamentary secretary speaks at this time, he will close the debate.

Mr. Honey: On a question of privilege, Mr. Speaker, I wish merely to ask the hon. member a question.

The Acting Speaker (Mr. Béchard): Does the House give unanimous consent?

Some hon. Members: Agreed.

Mr. Honey: I gather the hon. member is opposed to the policy of charging economic rents in the national parks. If so, is his party also opposed to that policy?

Mr. Dinsdale: I think I gave the parliamentary secretary too much credit. His minister said he was an excellent man, that he was capable—

Mr. Honey: Perhaps the hon. member would answer my question.

Mr. Dinsdale: The hon. member asks if I am opposed to equitable assessment.

Mr. Honey: No; to economic rents.

Mr. Dinsdale: Let us make them equitable, too.

Mr. Honey: The word used was "economic". The question was whether the hon. member wants economic rents to be charged. If he wishes to answer another question, that is fine, but the question I put to him was whether he opposes the policy of charging an economic rent in the national parks, and if so, does his party also oppose that policy?

Mr. Dinsdale: This question was answered seven or eight years ago when we held detailed consultations with the people most concerned in the national parks. As the letter I read from the president of the Banff Advisory Council indicates, they are quite happy with the economic rental formula which was laid down by the former administration. I quote again, because obviously the hon. member did not hear the sentence: "We still find the standards and principles of the province of Alberta acceptable." I would regard that as referring to an economic rent.

• (9:10 p.m.)

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, my remarks will be short. Many people in my constituency are concerned about the form of the developments taking place in our national parks, particularly in the national park at Waskesiu in Prince Albert National Park. They are concerned, as I suppose all Canadians are, about overcrowding, the influx of cars and the increased use of facilities that is going to be the fate of our national parks, particularly the one that we have in northern Saskatchewan.

Changes are already under way. The park has been developed over the years and the people there lived in very modest residences such as shacks, summer cottages, and so on. Recent policy seeks to change this situation. The change will be either gradual or rapid, but nevertheless it will be a change. This particular park, at least up to the present time, has been what I would call a community park in the sense that people in northern Saskatchewan, and even further south, have used it as a community. There has not been in the past a great influx of tourists from other areas.

What I and the people of Saskatchewan are concerned about is that a corporation is to be given the job of running the park. We would like to know whether the park is still going to serve the community as a community park. What is going to be the cost of accommodation for those who live in the accommodation centres that are to be set up? Will the ordinary people of Saskatchewan be able to afford to use the park as they have until now? Will those who visit the park for a short stay, either with or without camping equipment, be able to obtain the kind of accommodation they need, at reasonable rates? Indeed, will they have access to the park at all? Will the local people, or the expected influx of tourists benefit from the facilities offered by the park?

We are also concerned about the importance of preserving our natural heritage and the beauty of the wilderness there. Not too long ago some young people in Saskatchewan who had recently visited the park wrote me to ask why the cabin of that great naturalist, Grey Owl, which they had assumed was an historic monument, had fallen into decay. I wrote to the department involved and asked what was to be the future of this very important historic monument and I was informed that there were certain plans under way to preserve it.

This is the sort of thing that gives people in northern Saskatchewan cause for concern. They want a place of beauty, a place of natural wilderness, accessible by ordinary means of transportation and which can be enjoyed by ordinary people. I hope that before this debate is over the minister will be able to convince the House that a corporation such as that envisaged will be able to maintain this kind of environment for the people of Saskatchewan. I hope there will be clear guidelines to ensure that the interests and needs of the people of Saskatchewan are looked after. I hope the House will be given the assurance that those who now have accommodation in the park will continue to have that kind of accommodation.

Hon. J. A. MacLean (Malpeque): Mr. Speaker, I want at this time to make a few remarks on the general subject of the importance of parks in our national life. For a long time, of course, during the early period of our

development as a nation—this can be said equally of the United States—people looked upon themselves as striving against an overwhelming wilderness which seemingly they might never overcome. However, people of foresight such as President Roosevelt—I refer to Teddy Roosevelt—recognized that wherever man went, he left the land in ruin; that there was a great necessity for setting land apart as a legacy for future generations. In this way they would be in a position to enjoy nature at its best.

In addition, areas of wilderness should be preserved in their virgin state for historic purposes, using the wider sense of the word, so that Canadians both of this and future generations realize what our early settlers and forefathers had to struggle against in opening up this great North American continent. The foresight exhibited by outstanding men such as Teddy Roosevelt has been an invaluable asset to the United States. He was instrumental in setting aside vast stretches of virgin country as the legacy of future generations. The same thing was done in Canada to a considerable extent and we owe a great deal to those men and governments who had the foresight to take this step.

However, this bill, which is an important one, contains provisions with which I disagree. The bill exhibits a trend that is evident in many federal government activities—removing government further and further from the governed. The government is setting up corporations and other faceless organizations to act as a buffer between government, which is elected to be the people's servant, and the people it is supposed to serve. It is my contention that the more directly the government is responsible to the people, the better it functions, because it is then held directly responsible to the people for its activities.

• (9:20 p.m.)

I note that this bill—and I will not go into this matter at great length now because it can be examined more carefully in committee—changes the description of a number of our national parks. From a quick perusal of the appendices to the bill it would seem that at least four of our parks are to be reduced in size. This reduction may not be significant. The four parks to which I refer are Waterton Lakes, Kootenay, Prince Albert and Prince Edward Island. These may be very minor changes in the boundaries, but this is something we have to find out. In any event, in my judgment this trend is in the wrong direction. I notice that the Terra Nova National Park in Newfoundland is to be extended in area under the terms of this bill.

There are many reasons for national parks. The most obvious one, which is perhaps readily recognized by urban people, is for vacation purposes. National parks are places for recreation; that is one of their benefits. Facilities should be provided in suitable terrain set aside for various types of recreation. There are other questions involved. National parks, in my judgment, should be established to preserve in each part of our country typical areas in as near a natural, virgin state as possible in order that people will know what the land was like as God made it.

Some areas of our country have special attractions. In the park that is partly in my own constituency, the Prince Edward Island National Park, there exists one of the finest beaches in Canada. There are excellent beaches in the maritime provinces; in Prince Edward Island, parts of New Brunswick and Nova Scotia. More of these beaches should be set aside in the form of parks for public use. In this way everyone, rich or poor, would have access to them and would be able to enjoy their benefits.

Even in Prince Edward Island our beaches are not our only asset. I recommend that a second park be provided in Prince Edward Island. This matter has been under discussion for a long time between the two levels of government. We should set aside additional fine beach areas on the island for national park use. There is also a necessity for setting aside, before it is too late, areas in Prince Edward Island that are as near their virgin state as any to be found, for the preservation of the wildlife which still exists. This would allow the remaining species of wildlife in Prince Edward Island to continue. Perhaps they would not become extinct, as has been the case in respect of too many small animals and birds.

It is too late now to preserve a habitat for many of the small animals that were native to our province. It is not too late to preserve an area which would be a suitable habitat for migratory birds. In Prince Edward Island we have a vast number of migratory birds for which a habitat should be provided in order to preserve their existence. In this way people could enjoy the very relaxing recreation referred to by most people as birdwatching but which I prefer to call communion with nature.

One of the most beneficial experiences that society can have, and which is becoming more and more urbanized, more and more polluted with pollutants and noise, is that of isolation or to be able to go where one can obtain peace, quiet and solitude. I am old-fashioned enough to believe that solitude not only heals the body but heals the mind. It is essential that people experience it periodically if they are to have recreation in the true sense of the word.

Therefore, I recommend strongly that the government consider carefully the provision of not less but more area for national parks, even if these areas cannot be developed at the present time. Land costs will increase and the longer this program is delayed, the harder it will be to accomplish. There will be developments of various kinds, and the environment will be destroyed. It will then be too late to take advantage of these areas. I would urge the minister, if he were here, to consider the necessity of taking action now to protect the future of Canadians yet unborn.

[*Translation*]

Mr. André Fortin (Lotbinière): Mr. Speaker, I would like to make a few comments on Bill C-152, titled "an Act to amend the National Parks Act". I read the bill with interest and taken as a whole, I find it deserves our close attention since it deals with an important subject, that is the expansion and operation of resort areas, the preservation of our wildlife and the development of our natural resources.

I would like to consider the problem mostly from the point of view of Quebec. The previous speaker noted that Quebec may not be a province like the others, that it does not benefit from national parks and that, in comparison with other provinces, its natural resources remain undeveloped.

In that regard, I wish to recall the problem about the famous Forillon Park in the Gaspé Peninsula.

The federal government has been taking steps recently to set up a national park in that area. On the other hand, the Quebec government is also taking steps, having studies made with a view to having a park in the same area which, however, is not intended to be "national". Although it is quite willing to accept the funds required from the federal government.

That is what could be called a constitutional quarrel between the Quebec government and the federal government. In the meantime, Quebec has yet to have a national park.

Mr. Speaker, it is high time we put an end to our constitutional quarrels, specially when dealing with the development of part of our country, with the development of its natural resources, as in the case of a national park in the Gaspé peninsula which is an underdeveloped area where tourism alone guarantees a certain income, admittedly quite modest, to its people.

On the one hand, the Quebec government tells the people that the government in Ottawa is to blame, that it refuses to negotiate; neither does Ottawa want to negotiate with a view to reaching a reasonable compromise. On the other hand, the federal minister says: We cannot accede fully to the request of the provincial government, because of such and such a section in the constitution, because it could lead to this or that inconvenience, because of such and such a precedent.

Obviously, as a result Quebec has no federal parks. Now, over $335 million were spent in other provinces for national parks, while not a single penny has been spent in Quebec.

• (9:30 p.m.)

It seems to me that if the provincial government is not reasonable in this particular matter, the federal government for his part, lies low and does not react in any way to the problems and injustices thereby created.

It is high time to wake up and to say, once and for all, that in Quebec as well as in the other provinces, our natural resources must be developed and made profitable, so as to give reasonable impetus to our tourist industry.

It is high time that we should stop playing politics, and passing the buck. Indeed, we have wealth, such as forests, animal life and lakes, but all those things are wasted because no one is concerned about developing them.

Mr. Speaker, the hon. members who spoke before me on the subject were partly right but I do not agree with them when they put the blame for it mainly on the provincial government for his attitude. It is all too easy for the federal government to say that the provincial government is the only one at fault. However, if one gives a close look at the matter, one realizes, that the problem lies on both sides of the fence.

Whenever an interesting bill like Bill C-152 comes up for consideration before the House, there are of course points on which we do not

all agree but I dare say that no Canadian will oppose the idea of developing our resources.

I would like to put forward a suggestion and ask the representatives of the federal government responsible for the setting up of the first federal park in Quebec to make some concessions while paying due respect to the wishes of the Quebec government, which they failed to do when the creation of the Forillon park was discussed.

The federal government, allegedly because it is the central government, would like the provinces always to bow down to its wishes. This is a bad attitude and Canadians are still suffering from it.

Last year, I put a question on the order paper. The answer which I received was obviously ridiculous. I asked: Can the minister tell us if discussions have been held between the federal government and the provincial government of Quebec, or if it is intended to hold any? In short, the question read as follows:

Does the government intend to establish other federal parks in the province of Quebec?

The answer was as follows, and I quote:

No.

My first question was as follows:

Does the government intend to establish other federal parks in the province of Quebec a) if not, for what reason? b) if so, where?

Answer:

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development):

1. a) The federal government would welcome—

—it is again a good pious wish—

—any request from the province of Quebec for the establishment of other national parks in the province;

b) Any area in the province considered of national significance and worthy of preservation for future generations.

That is precisely the crux of the problem. It is obvious that the province of Quebec has vast territories that are worthy of being preserved and developed for future generations, which would represent untold wealth.

The federal government replies: we are waiting for a request from the provincial government. Whenever we ask the same question, to the Quebec government, we get this reply: We do not dare ask Ottawa for anything because they will answer no. If we make a request to Ottawa, they will say it has to be a national park and will refuse to respect provincial rights in this regard. And so there is no national park in Quebec.

Mr. Speaker, I wish to draw your attention to the other question, as I am sure you will be interested. I quote:

2. Since the adoption of the act respecting federal parks, how much money has been spent on federal parks and of that amount, how much has gone to the province of Quebec?

The answer was the following:

2. Since the establishment of the first national park (Banff) in 1885, $355,289,424 was spent on national parks in Canada. (This comprises operation and maintenance, capital investments and money spent on trunk highways.) Since there were no national parks in Quebec, no money was spent in that province for national parks.

So that was the result. An amount of $335,-289,424 was spent in other provinces because the federal government thought it was worthwhile to develop those parks. Since the federal government is playing politics at the expense of the Quebecers and since the Quebec government does the same, the result is that there is no national park in Quebec.

Mr. Speaker, $355 million were spent in other provinces and Quebec got nothing for the simple reason that both levels of government are taking pleasure in passing the buck and playing politics at the expense of Quebecers.

• (9:40 p.m.)

As there is a Liberal government in Ottawa and a Conservative one in Quebec, words give rise to conflicts. One day, the people in Gaspé are told that, thanks to the federal government, they will have a national park. The next day, the provincial minister states that the province cannot participate fully in the federal government's project because this section of the Constitution or that right are not respected or again because this or that wish of the province is not taken into account

Then new discussions are begun, following which the ministers answer members' questions arrogantly, stating: We are now considering the possibility of creating a national park.

That is what led me to ask the third question, and I quote:

Is the government negotiating with the government of the province of Quebec with a view to establishing other federal parks in that province?

And what was the answer?

3. No.

That is where things stand as of now. Neither the federal government nor the provincial government are serious enough to take any steps likely to help the development of the tourist industry in Quebec.

The weakness of Bill C-152 is that it does not provide for an alternative that would force the powers that be to get down to work seriously and to find, once and for all, ways and means of developing the country's natural wealth, and in particular Quebec's riches. Clause 1 of the bill provides for the setting up of a Corporation, but is followed by meaningless generalities giving no assurance that the act will actually benefit all Canadians, and not only some of them.

This act will not affect Quebec at all, while continuing availability to other provinces of the corresponding funds. Therefore, when the minister submits the same bill next year, to change at best a few words, if he is asked whether negotiations are underway, tending to make the same advantages available to Quebec as to the other provinces, he will reply that if anything is wrong it is Quebec's fault.

It is time we faced our responsibilities and recognized that Quebec has vast unexplored resources, shamelessly wasted because of the apathy of our governments whose only concern is gaining votes.

The people of Quebec should at last open their eyes and withdraw their confidence from politicians, those of Quebec as well as those of Ottawa, who have been elected to wage a war of words rather than develop natural resources for the use of Canadians.

I hope that some day, in Ottawa as well as in Quebec City, we shall have as heads of government men who will be responsible, worthy of the name statesmen, and who will undertake to develop our natural resources for the use of the population.

Only then will we be able to say that proposed legislation such as Bill C-152 will really serve Canadians and promote the development of natural resources. Otherwise, we are merely talking and wasting time. It is unfortunate that nobody, it seems to me, is interested in solving the problem. It is preferred to bury one's head in the sand, raise it up again, make three statements and launch a red carpet war, as the Prime Minister (Mr. Trudeau) so ably said. I hope that what he said will eventually be understood: Enough of that nonsense. I hope he understands it himself and tells his ministers to negotiate, not so much as Liberals but as Canadians, to develop our country's wealth.

This is my wish. I am asking the minister to try and improve the contents of the bill and to give some guarantee to Parliament that natural resources will be developed from coast to coast and not only in one region of the country.

[Mr. Fortin.]

[*English*]

Mr. Robert Simpson (Churchill): Mr. Speaker, Bill C-152 states that it is an act to amend the National Parks Act. This in itself, I would assume, provides a wide subject for those who wish to speak on it. However, on reading the bill I noticed that there are really only two main points: one is to set up a Crown corporation to administer the national parks, and the other is to designate the boundaries of the national parks which are already established in Canada.

I say at the outset that I take strong exception to the government's plan to set up a Crown corporation to administer our national parks. I think, as do many speakers who preceded me, that this plan will be merely another way of passing the goverment's responsibility to a group of people in a Crown corporation. It will be a way in which the government will endeavour to absolve itself of all responsibility for the operation of national parks.

On looking closely at Bill C-152 we find that should the minister, in his wisdom, feel the Crown corporation is not administering the parks to his liking, he can step in and veto any decision which it makes. I am not sure whether this is an admission by the government that a Crown corporation can do a better job of administering our parks. This may be quite true. However, I think it goes much deeper than that, because I believe the government ought not to have the best of two worlds.

I said that I was not in favour of the government setting up a Crown corporation to administer national parks. But in one or two respects this may not be a bad idea, because on looking over the policies of some of our Crown corporations I find that they provide a few benefits over and above those which the government is prepared to provide for the people using our national parks.

I mention in particular the Clear Lake National Park in Manitoba, where a very important and widely publicized golf tournament is held every year. It is called the Grey Owl golf tournament and it opens the season for the national park. This tournament brings great economic benefit to the park at that time of the year. It is held each year during the first week end of June, or thereabouts, and 300 or more entries are received, plus

countless hundreds of people who come to enjoy the tournament and to take in the weekend at the park when it is in progress.

On occasion, the sponsors of this golf tournament have approached me to see whether the minister would take into consideration the great contribution that it is making at the opening of the season at Clear Lake National Park, and whether certain regulations in relation to the fees normally charged could be altered so that either a subsidy could be granted or at least a special fee set. I understand that this is done in some parts of Canada, but on several occasions when I have approached the minister he has told me this would be impossible.

• (9:50 p.m.)

To get back to what I said previously, in some respects it may be better for a Crown corporation to take over the administration of the parks, although I would not agree to a full takeover. I would point out that Air Canada, which is a Crown corporation, and Canadian National Railways offer beneficial rates to large parties; they have group fares. But this government will give no consideration to a tournament the size of the Grey Owl golf tournament held in Clear Lake National Park. Green fees last year were raised to $4 and the tournament officials were told, "If you have 300 golfers, you will pay $1,200 for them to play one round apiece." This means $2,400 for the two rounds which they play. In that respect, Mr. Speaker, perhaps a Crown corporation would do a better job than the government is doing. However, I reiterate that I am not in favour of the government turning over all its responsibilities to a Crown corporation.

We all know the many concerns of the people residing in the national parks and of those operating businesses in the parks. In December, 1966, as a result of many protests from residents of the western parks arising from cancellation of long-standing, historic leasing rights by order in council, the Standing Committee on Northern Affairs and National Resources visited Banff and Jasper on a fact-finding mission. During hearings lasting three days the committee found that the citizens affected agreed with the necessity for a change in leasing policy to meet the growing recreational needs of today, while at the same time conforming to the conservation principles of wise management and multiple use of our renewable resources which emerged from the Resources for Tomorrow Conference of 1961.

The protests arose because the changes were made by administrative decree rather than by act of Parliament, and also because cancellation of perpetual leases provided no compensation in respect of commercial properties. The main protest at that time was supported by a comprehensive brief presented by Mr. G. H. Steer, Q.C., of Edmonton, which argued the illegality of government action by order in council rather than by act of Parliament. But, Mr. Speaker, the committee report tabled in the House completely ignored those representations.

It is no wonder that the leaseholders in many of our parks are at their wits end to know what compensation they can get and what hearing they will receive from a government that arbitrarily passes laws of this nature by order in council. It makes one wonder just what the position of these leaseholders would be if the administration of parks were turned over to a Crown corporation. We all know what has happened in recent times with respect to individuals dealing with Crown corporations. I cite the example of the city of Winnipeg and the people of Manitoba generally and the great difficulty they had when Air Canada decided to move its facilities from Winnipeg to Montreal. The people concerned in Winnipeg are still looking for answers, mainly because they feel they could not pin the government down since it was a decision by a Crown corporation. The findings of the committee at that time were another example of the growing tendency of the government to implement policies by administrative decree rather than by parliamentary action.

Mr. Speaker, my time is drawing to a close. We in Manitoba have repeatedly requested through the provincial government that the federal government establish a second national park in our province. If one asks representatives of the provincial government, they say that they cannot get an answer from Ottawa. I have approached representatives of the federal government, and they say that Manitoba must make the first move. This creates a very difficult situation for people in all parts of Manitoba.

We in the northern part of the province hoped that the second national park in Manitoba would be situated in an area north of or closely adjacent to the 55th parallel. However, we have been told that studies were made of that area which showed it was not suitable for a national park, and that other areas were being examined. The people living

in the other areas that are being examined are anxiously waiting for a decision from the federal government, to be made in conjunction with a decision by the provincial government. I know, from talking to these people, that they would be very disturbed to learn that within the next year or two they will get a new national park but it will be under the jurisdiction of a Crown corporation, with the result that if they have any complaints and take them to the government they will receive the stock answer, "We as a government can do nothing about these complaints because the administration of parks is being handled by a Crown corporation."

We want a second national park. The people of Manitoba and of other provinces are very interested in national parks. From talking to people in my area, and particularly to those who are living in or have business relationships in Clear Lake National Park, I know that since this bill has been introduced they have become very concerned about what the government is trying to do in setting up a Crown corporation to administer the national parks.

Mr. Bigg: Mr. Speaker, as my remarks will take a few minutes, may I call it ten o'clock?

BUSINESS OF THE HOUSE

Mr. Bell: Mr. Speaker, could we be told by someone the change in business for tomorrow?

Mr. Gray: Mr. Speaker, the government House leader has asked me to announce that he intends to call the order for second reading of the investment companies bill as the first item of business tomorrow.

PROCEEDINGS ON ADJOURNMENT MOTION

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

POST OFFICE—POLICY RESPECTING CLOSURE OF LOW-INCOME BRANCHES

Mr. R. N. Thompson (Red Deer): Mr. Speaker, my grievance tonight involves the Post Office Department and the Postmaster General and Minister of Communications (Mr. Kierans). I am indeed sorry that the minister has not seen fit to be in the House because I believe he should hear what I have to say. I am disturbed at developments in the Post Office Department because I find that little, if any, consideration is being given to any appeal that may come from members of this House, or to representations that come from the people of Canada whom the minister is supposed to serve.

The only product that the Post Office Department has to sell is service, and if it is not intent on rendering that service to the people of Canada it is grossly failing in its responsibilities and obligations to the people of Canada. I believe that practically every member of the House knows and has evidence, in the form of protests, in his files that the Post Office Department is not functioning as well as it used to function. I have been a member of this House for eight years, and I believe that last year I received more complaints about the inefficiency and ineffectiveness of the Post Office than I did in all the previous seven years.

• (10:00 p.m.)

I am not going to deal with the situation in general tonight, although I was a bit disturbed the other day to receive an urgent letter containing an appeal about the situation in Nigeria which took nine days to come to Ottawa from the city of Toronto. My concern, Mr. Speaker, is with the blanket policy of the Minister of Communications to close all low-income post offices in the country. On May 22, 1969, the Minister of Communications wrote to me stating:

> —changing conditions throughout the country, revenue post offices in many of our smaller communities are no longer required. As a consequence, early in 1967 we initiated a program to close these post offices.

In relation to a complaint that I made on June 20, 1969, the Minister of Communications stated in a letter:

> In light of our current program to close all small revenue post offices we could not arbitrarily make an exception in this case.

That is the case I was appealing, Mr. Speaker. In other words, the government, through the Minister of Communications, has initiated a policy intended to close all low-income post offices whether or not they are essential to the communities they serve.

The argument the minister uses repeatedly in letters to me when I tried to have him clarify the situation can best be illustrated by saying that he is trying to fit the visitor to the bed. If his legs are too long, he cuts them off; if they are too short, he attempts to stretch them to fit the bed. To be specific, I shall

mention a few instances to illustrate that the policy the Minister of Communications has initiated is in many cases completely unjust.

I am not referring to all low-income post offices. I can name at least seven low-income post offices in my constituency that have no justification for continuing. They have very few boxholders and serve very few people, so it is logical that rural route service would be better. But this is not the case in every instance. I want to mention four specific examples. One is the Dickson post office, where there are approximately 30 boxholders in the village and 17 boxholders in the rural area. The cost of this post office is $1,800 a year. The Minister of Communications said it was $2,000 a year, but that is wrong; it is $1,800 a year. The revenue is small, but I maintain that because of the traditional service going back more than 60 years that this post office has rendered, there is no justification for closing it now.

A petition has been signed by every citizen served by this post office, protesting the closing. I am concerned that when I consulted the Minister of Communications, and later investigated the situation on the spot, I learned that in November an official of the post office in Calgary visited the community; he assured the postmaster at Dickson that he had no intention of closing it but was merely investigating the rural route service in the area. However, four weeks later, on December 17, an order was issued to close the post office.

Many of the arguments stated by the Minister of Communications in letters to me are just not logical nor do they actually state the facts. While this is a very small post office, and there is another only a couple of miles away, it will cost far more than $1,800 to provide the service that the people in the village and the area south of the village must have if the post office was closed and rural route delivery substituted. There is no economic gain or saving by closing that post office, and 100 per cent of the people involved want it kept open because it meets their particular needs.

Why is an approach not made to the people to determine whether they want the post office to close or stay open? Why does the government not deal with the matter in a forthright manner and consider the costs of offering a substitute service through the extension of rural route No. 1 from Innisfail? As far as I can determine, this will be much more than the cost of maintaining the post office. No consideration has been given to public opinion, to the economic effects or to the local problems of this post office.

I refer another post office to the attention of the Minister of Communications, the country post office of Bergen. It is true that this post office involves an expenditure of only $1,000 by the Post Office Department, but it serves 50 householders. The Postmaster General says it serves 44. I beg to differ with him, because it serves 50 householders, not 44. A petition has been forwarded to him asking that this post office be retained. Of the 50 householders, 40 agreed this is the type of service they want. To provide rural route delivery to the people who are involved in this remote foothills community will cost much more than the $1,000 which is now involved in maintaining the Bergen post office.

The third post office I wish to bring to the attention of the Postmaster General and Minister of Communications is that of Westward Ho. The cost of this post office is $1,800 a year. The income last year, as far as stamps and money orders were concerned, was less than $700. It serves 63 householders. The department says 56, but I count 67.

Mr. Deputy Speaker: I am afraid I have to interrupt the hon. member because his time has expired.

Mr. Thompson: Might I finish with one sentence, Mr. Speaker?

Mr. Deputy Speaker: Regretfully, this is not the practice we have adopted.

Mr. Gérard Loiselle (Parliamentary Secretary to Minister of Transport): Mr. Speaker, I have listened to the remarks of the hon. member for Red Deer (Mr. Thompson). I am sorry the hon. member started by saying that the minister was not giving care because he was not present in the House. I can assure the member for Red Deer that the minister is in Montreal on post office business this evening. Surely, the hon. member for Red Deer is aware that if he has a problem with post offices in villages in his riding, Montreal also—has a problem with its post offices; and that is why the minister is in Montreal tonight.

I will be glad to bring the hon. member's remarks to the minister's attention on his return. In his absence the minister asked me to provide the member with the following information. I am sure, from the remarks of the hon. member, that he will not be satisfied with this information, but it is what I have been asked to give him.

Proceedings on Adjournment Motion

There are 10,000 post offices in Canada. By comparison, the United States has only 30,000 post offices, although on a population ration that country should have something like 100,000. In other words, the Canadian public is extremely well served with respect to the number and availability of post offices.

The present status of the program to review small post offices is as follows. The number of post offices closed to date, 1,240; number examined and retained, 1,208; number still to be reviewed, 1,450. This program will be completed on September 30, 1970.

NATIONAL REVENUE—REFUND OF SALES TAX ON GRAIN STORAGE EQUIPMENT

Mr. Rod Thomson (Battleford-Kindersley): Mr. Speaker, I hoped that the Minister of Agriculture (Mr. Olson) would be answering my question this evening because I find it easier to get angry with him over the problems we have in western Canada; he should know how to solve our problems; the parliamentary secretary may not. I will try to be logical in my argument in the hope that it might have some influence on the parliamentary secretary.

I received a complaint from a farmer who had built grain storage facilities in Saskatchewan. He has discovered that he cannot get a tax rebate on this building because it is not the right style. I quote from his letter as follows:

> —the building we erected was built primarily for grain storage and now holds over 25,000 bushels of wheat. The way the grain situation is now, this could be in there for another 10 years with what other wheat we have on hand and the quotas we are getting, even without seeding another wheat crop.

I ask the parliamentary secretary to note the following:

> The provincial government recognized this as a grain storage building and we cannot understand the federal government's view of this.

I quote from another letter received from this person:

> We believe that very few people in this economic situation would build a building costing this much to store machinery and let grain sit outside in piles and spoil. When this much more storage space is needed we feel it much wiser to build one large building than 12 to 14 small bins. We already have 17 other granaries varying in size and a 28' x 40' barn lowered and converted into a grain storage bin, all filled to capacity. To add another dozen small bins would be ridiculous.

[Mr. Loiselle.]

• (10:10 p.m.)

From the point of view of economics as applied to this farm, it makes more sense to erect one large building for the storage of grain than to buy several grain storage bins. From the answer given me by the Minister of National Revenue (Mr. Côté), or an official of the department, it is not enough, apparently, that a bin should hold grain. It has to look like a grain bin and it should not be capable of use for any purpose but the storage of grain.

I wonder whether the government is serious when it professes to be willing to help farmers who are in trouble because they cannot sell their grain. The Saskatchewan government has recognized that bins of this type are adequate for storage. There is a method by which an individual can apply to his municipality for a permit enabling him to make application for a return of tax. In this case the farmer got a $200 refund, the amount of the 5 per cent sales tax collected by the Saskatchewan government. Thus, one level of government recognizes the principle and I wonder why another level of government declines to do so.

It seems to me the Saskatchewan government acknowledges the seriousness of the situation on the prairies, while the federal government is only playing around. The federal government may not agree with this opinion, but this is what it amounts to. The government should take another look at these cases. Only one farmer has appealed to me, but after talking to other hon. members I know that other farmers are in the same difficulty.

The argument that the grain bins may be used for another purpose is a ridiculous one. No one with any knowledge of the economic situation on the prairies at the present time would believe that a farmer would put up special bins just for the sake of getting a tax rebate. Interest rates alone would rule this out. I maintain that when a farmer puts up a grain storage bin, whether it looks like a granary or not it should be accepted as such provided it holds grain. The Saskatchewan government recognized this principle when it returned the 5 per cent sales tax, and I can see no reason why the federal government should not carry out the intent of its promise to western agriculture in connection with this rebate.

I have one final comment. I am a farmer and if I were erecting another bin on my farm I would probably choose a quonset type

of construction because it would make the best sense. If I were to follow the government's logic I would be dissuaded from doing so. The situation to which I have drawn attention occurs frequently on the prairies. These farmers have a case in equity, and it should be considered.

Mr. Gérard Loiselle (Parliamentary Secretary to Minister of Transport): Mr. Speaker, the hon. member for Battleford-Kindersley (Mr. Thomson) was surprised to find that the Minister of Agriculture (Mr. Olson) was not replying to this question. However, since this question concerns the 11 per cent sales tax it is a matter for the Minister of National Revenue. The complaint was that the farmer in question did not get a refund of the 11 per cent sales tax. However, the law provides that the farmer can get this 11 per cent back from his supplier, so maybe there is something wrong in that connection.

This is the answer which the minister has given: The Excise Tax Act imposes the sales tax on the manufacturer, and the department is bound by law to refund this tax to the manufacturer who paid it where the goods are sold under tax exempt conditions. As a result, when a manufacturer of grain storage bins sells them under tax exempt conditions to farmers, exemption should be allowed; but if the tax is charged, the department must refund it to the manufacturer and the farmer should seek reimbursement from the manufacturer. It is normally the practice of manufacturers who have received refunds of sales tax to pass the credit along to their customers. If a farmer applies to the department for a refund of the 11 per cent sales tax on a grain storage bin, he is advised to request a credit of the amount of sales tax paid by the manufacturer on the grain storage bin, from his supplier.

It seems to me that it is the procedure used by the Saskatchewan government that has changed; the law still provides that the farmer can get a refund of sales tax from the supplier. If the hon. member has any specific cases of the government having received the refund from the manufacturer, perhaps he would bring them to the attention of the minister.

AIR TRANSPORT—CTC DECISION RESPECTING PRAIRIE SERVICES

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, this is a sad occasion for responsible parliamentary democracy in this House. I noticed that one parliamentary secretary gave prepared replies to the questions that have already been raised tonight. Obviously these replies do not take account of anything that the hon. members might have said in their remarks. This is the second occasion tonight on which I have had to refer to the fact that ministers are derelict in their duty. It is doubly tragic because most of the problems raised concern western Canada, which is passing through an extremely difficult time of economic distress.

The matter I wish to raise tonight I raised over a week ago. It concerns the decision of the Air Transport Commission to downgrade the quality of air service into western Manitoba. In reply to me, as reported at page 3012 of *Hansard*, the minister said:

> I do not wish to anticipate, but it is my understanding that no service will be discontinued and that the modifications and adjustments contemplated will result in a more viable service being provided to all points now being served. I think a form of rationalization has been undertaken. Once the decision of the Canadian Transport Commission is released, if my hon. friend is still of the opinion that the matter ought to be pursued further I will do whatever is in my competence to do.

Following the announcement that service was being suspended and that the regional air policy, as it affects western Manitoba, was being downgraded from class 1 to class 2 service, I asked a question in the House. In reply to my further question the minister said, as reported at page 3131 of *Hansard*:

> —if it is a matter which could be the subject of appeal to me presumably somebody will appeal it and I will look at it in that form.

The city of Brandon has appealed the decision of the Air Transport Commission. It is unfair, unjust and inequitable so far as this part of western Canada is concerned. I should like a reply from the minister in regard to a very difficult economic situation that flows from the decision of the commission. The airport, which is actually in the constituency of Marquette and serves an important area of industrial development, has been operating under a government subsidy required for first-class service. It is important to know, in the interests of economic development, whether the subsidy will continue with second-class service. The problem arises from the fact that the landing fees, for example, for second-class service will no longer provide the level of support that has hitherto been provided. It is urgent that the people concerned have some understanding in this regard.

• (10:20 p.m.)

Second, a new passenger terminal is now being constructed at this airport with the concurrence of the Department of Transport, which is participating to the extent of $89,000. This is a commitment in writing and it is imperative that we know just where the commitment stands at the moment. Unfortunately, the effective date is February 16, next Monday. I trust that the Minister of Transport (Mr. Jamieson), who has in his replies shown a great deal of sympathy and understanding for this problem in terms of ensuring equity and fair treatment for all parts of Canada, will give the matter his urgent consideration.

I trust the parliamentary secretary will communicate to him what I have endeavoured to say tonight with respect to subsidizing Air Canada. Air Canada is indirectly subsidizing many communities by providing service. I should also point out that the huge, government expenditures which are to be made in central Canada, running into hundreds of millions of dollars, to keep pace with the rapidly expanding air age are perhaps necessary. I very sincerely point out, also, that western Canada must keep pace with this rapidly expanding air age, and I suggest to the government that this area is entitled to a fair share of government support.

Mr. Gérard Loiselle (Parliamentary Secretary to Minister of Transport): Mr. Speaker, the hon. member for Brandon-Souris (Mr. Dinsdale)—

Mr. Knowles (Winnipeg North Centre): You are a busy man tonight.

Mr. Loiselle: Yes, I am a pinch-hitter. The hon. member for Brandon-Souris was complaining at the beginning that he was surprised to see that the parliamentary secretary had prepared replies. Did he expect an unprepared answer to the question asked by the hon. member for Red Deer (Mr. Thompson), which would indicate a reopening of the post offices which are closed? I believe I gave a good answer to the question regarding sales tax. I feel that the answers prepared for me are of assistance.

What I am now going to tell the hon. member for Brandon-Souris is what the minister would have told him. He knows that the minister is interested in the western area and will consider the economic situation of that part of the country. I shall not review the CTC decision because the hon. member knows there are procedures provided by law for this. However, I wish to tell him that I am informed that Midwest, a subsidiary of Transair, is continuing to provide service to Brandon using Viscount and Hawker-Siddeley 748 aircraft on a frequency and as a part of a route pattern that was established several years ago.

The CTC has authorized Midwest to provide another sort of service, one that might be identified as being specially designed to accommodate the needs of the community. It is anticipated that the new service will be instituted in a matter of weeks, upon the publication of new flight schedules. In the meantime, I am told that Midwest is doing its best to collaborate with representatives of the people of Brandon in making arrangements for the commencement of the new service.

Having regard to the new argument the hon. member has put forward tonight, I assure him the minister will take note of it. If we have more information than I have given tonight, it will be the minister's pleasure to provide the House with this information.

Mr. Thomas M. Bell (Saint John-Lancaster): Mr. Speaker, I understand that under Standing Order 40(4) I am entitled to ask a question, after the 30-minute period, about future House business. In future when we are considering these late-show questions, if it would not be asking too much of the government perhaps it would have in the House the parliamentary secretaries involved with the questions to be debated. I have no quarrel with the Parliamentary Secretary to the Minister of Transport; it is not his problem. Surely these people can get up off their fannies and get here at night to answer these questions.

Mr. Deputy Speaker: Order, please.

Mr. Loiselle: The hon. member should know that the Minister of Communications has no parliamentary secretary, and neither has the Minister of National Revenue.

Motion agreed to and the House adjourned at 10.27 p.m.

HOUSE OF COMMONS

Wednesday, February 11, 1970

The House met at 2 p.m.

PRIVILEGE

MR. THOMPSON—ATTITUDE OF GOVERNMENT TOWARD ADJOURNMENT DEBATE

Mr. R. N. Thompson (Red Deer): Mr. Speaker, I rise on a question of privilege relating to the adjournment debate, and specifically to the adjournment debate of last night involving three grievances raised by opposition members.

The adjournment debate was instituted following a trial period to allow members on both sides to raise questions about problems to which the government had not given satisfactory answers. I am convinced that this procedure has worked well in the past. However, I am concerned that, because of the growing and obvious disregard of the government toward questions raised by backbenchers, not only is the adjournment debate being relegated to the position of being a useless appendage but the institution of Parliament is being downgraded as well. Likewise—and this is why I am forced to appeal to Your Honour at this time—the rights of members of this House are being disregarded to the extent that our usefulness, either in debate or in representing our constituents, is being aborted.

Specifically, in the adjournment debate last night I raised a question regarding the policy of the Postmaster General and Minister of Communications and the Post Office Department to close all low income post offices in the country. While agreeing to this policy as it relates to some low income rural post offices, I questioned the validity of the blanket policy of closing all such post offices. I cited three cases, and had time permitted would have added a fourth, where the closing of the post office not only had an unjust and an adverse effect on the community but where the rural route delivery replacement service would be more expensive than the cost of continuing the present rural post office. I also questioned the minister as to why he refused to seek the opinions of the citizens concerned, and why local officials who were familiar with the situation were not consulted before taking such action.

My question of privilege, Mr. Speaker, is simply that neither the Minister of Communications nor his Parliamentary Secretary were present in the House last night to hear my question. Instead, the Parliamentary Secretary to the Minister of Transport read a prepared statement which had no relevance whatsoever to the question I raised because it was prepared before my question had been heard. I believe that this is a transgression of the rights of the members of this House.

I would also say that the hon. member for Battleford-Kindersley followed me with a question relating to the storage of grain, and again the Parliamentary Secretary to the Minister of Transport read a prepared statement which was absolutely irrelevant to the question that was raised.

Therefore, Mr. Speaker, because you are the honourable custodian of our rights, and because you are the one to whom we must appeal when we are in difficulty, as we are here, I appeal to Your Honour to take note of this question of privilege and to take such action as is necessary to bring the government to recognize its responsibility to the members of this House in adjournment debates.

• (2:10 p.m.)

Mr. Speaker: As the hon. member for Red Deer has, according to the regulations and the Standing Orders, given me notice of the question he wanted to raise at this time in our proceedings, I think I should direct his attention and the attention of hon. members to the provisions of the relevant Standing Order 40(3) which refers to the proceedings at ten o'clock. It states in part:

> A Minister of the Crown, or a Parliamentary Secretary speaking on behalf of a minister, if he wishes to do so, may speak for not more than three minutes.

The hon. member will recognize that the terms of the Standing Order, which is a regulation of the House, as it now stands actually allow any minister or a parliamentary secretary to any minister to answer a question posed to any other minister. Because of this it is quite in order under the Standing Orders as they now exist for a Parliamentary Secretary to reply to a question directed to any minister.

Perhaps the Standing Order should be amended, corrected or changed in such a way that the discussion we have at the time of adjournment would be more relevant, but the Standing Order is there for the Chair to enforce. I have no authority, of course, to change it on my own initiative.

From time to time I have suggested that the procedures of the House and our Standing Orders might be looked into by the Standing Committee on Procedure and Organization. This may very well be a Standing Order that should be considered by the members of this committee. I understand that the committee will be sitting in the near future. If it might be of assistance to hon. members I would certainly be pleased to mention to the House Leaders of the different parties the suggestion of the hon. member and invite them, if they think it could be of assistance, to consider the point raised at this time by the hon. member for Red Deer.

I think I should also bring to the attention of the hon. member who raised this question the provisions of Citation 181(3) of Beauchesne. I am sure it is well known to the hon. member. It states:

> A Minister may decline to answer a question without stating the reason for his refusal, and insistence on an answer is out of order, no debate being allowed. A refusal to answer cannot be raised as a question of privilege, nor is it regular to comment upon such refusal.

I refer to this citation to point out the fact that this cannot be raised as a question of privilege. In any event, I have received notice but no motion has been proposed to follow up the point raised by the hon. member. In these circumstances I think it would not be in order to have a discussion at this time on the point raised by the hon. member for Red Deer.

Mr. Thompson: Mr. Speaker, may I make one clarifying statement on a question of privilege?

Mr. Speaker: Order, please. If the hon. member has a further question of privilege I will allow him to put it. He should realize that if he is allowed to go into the matter further we might well get into a debate on the matter, and I suggest to him there should be no debate. If the hon. member has a question of privilege, then according to the procedures of the House I have to recognize him.

[Mr. Speaker.]

Mr. Thompson: Mr. Speaker, my question of privilege is not designed to precipitate a debate but rather to make a clarifying statement. I was not only appealing to Your Honour in respect of my question of privilege regarding the interpretation of the Standing Order to which you have referred in reference to Parliamentary Secretaries and ministers but also in respect of the fact that a prepared statement was read without my question having been taken into consideration. It could not have been considered because it had not been heard. It is this transgression and erosion of the rights of myself and other Members of Parliament that doubly concerns me.

Mr. Speaker: Perhaps I should not again comment on the hon. member's further point. As he knows, it happens from time to time that not only are answers prepared a few minutes before they are delivered but questions are prepared a few minutes before they are asked in the House. It would be difficult for the Chair to determine whether the questions or the answers are spontaneous or the product of previous reflection. In any event, I appreciate the point raised by the hon. member. It is one of importance. To give effect to the suggestion of the hon. member I will consider it my duty to bring this point to the attention of the committee.

Mr. Nesbitt: On a point of order, Mr. Speaker, I did not quite hear part of Your Honour's remarks. Do I understand that Your Honour would entertain discussion on the ruling—

Mr. Speaker: Order. It is the last thing in the world I would entertain at this time.

ROUTINE PROCEEDINGS

THE CANADIAN ECONOMY

TABLING OF CLOSING STATEMENT OF NATIONAL CONFERENCE ON PRICE STABILITY

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, I should like to table in both official languages copies of the closing statement of the national conference on price stability and to express my congratulations to the Prices and Incomes Commission for its participation in this conference.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I ask whether the minister intends to make a statement outlining the government's intention in respect of the closing statement of the conference?

Mr. Basford: Not a statement on motions, but I am here for the question period.

MAIN ESTIMATES, 1970-71

EXPLANATORY STATEMENT BY THE PRESIDENT OF THE TREASURY BOARD

A message from His Excellency the Governor General transmitting estimates for the financial year ending March 31, 1971, was presented by Hon. C. M. Drury (President of the Treasury Board), and read by Mr. Speaker to the House.

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, in tabling the estimates referred to in the message just read I should like to point out that these estimates for 1970-71 amount in total to $12,910 million, approximately $892 million or 7.4 per cent more than the total estimates of $12,018 million for 1969-70. Statutory expenditures, those which result from firm commitments provided for in existing legislation, are going up by 11.5 per cent. On the other hand, growth in expenditures for which Parliament will be asked to appropriate funds—the category in which the government has flexibility in the allocation of resources—has been restrained to a rate of 3.8 per cent.

The comparable increase between 1968-69 and 1969-70 that I indicated when I tabled the 1969-70 estimates at this time last year was $1,032 million or 9.5 per cent. The year-to-year increase has therefore been reduced by $140 million, or by more than two percentage points.

The total supplementary estimates for 1969-70 are expected to be $160 million or about the same as the supplementary estimates of $152 million for 1968-69. This compares with $392 million in 1967-68 and even larger amounts in the preceding few years. Any requirement for supplementary estimates in 1970-71 to meet urgent and unforeseen needs will be kept to a minimum in line with the determination of the government to restrain expenditures as an anti-inflationary measure.

Statutory expenditures, those which result from firm commitments provided for in existing legislation, will amount to $6,323 million or 49 per cent of the total estimates.

Statement of Estimates

Virtually all of the increase of $651 million in these expenditures falls under the following three headings:

1. Public Debt		
Servicing charges	$195	million
2. Payments to the Provinces		
Fiscal transfers	156	"
Hospital Insurance	95	"
Medicare	70	"
Post-secondary Education	49	"
Canada Assistance Plan	38	"
3. Wheat		
Carrying costs on temporary wheat reserves and advance grain payments	44	"

It can thus be seen that of the over-all increase, $651 million, or 73 per cent, is taken up by statutory expenditures, and of that amount, $408 million is required for increased payments to the provinces.

• (2:20 p.m.)

At this point I might mention that the provincial governments were asked during the last several weeks to provide us with the most up-to-date forecasts of their expenditures under the Canada Assistance Plan and the Hospital Insurance and Diagnostic Services Act and for medicare and post-secondary education. Their latest forecasts are consistent with the amounts shown in the estimates being tabled today.

The expenditures for which Parliament will be asked to appropriate funds, the category where the government has flexibility in the allocation of resources, amount to $6,587 million or 51 per cent of the estimates. Additional resources in the amount of $293 million are going to the following few programs to which the government is giving high priority:

Regional economic expansion, an increase of $75 million; bilingualism development, an increase of $52 million; postal services, an increase of $36 million; Indian and Eskimo affairs, an increase of $34 million; the Royal Canadian Mounted Police, including police services for the provinces, an increase of $26 million; air services, an increase of $22 million; development and utilization of manpower, an increase of $21 million; international development assistance, an increase of $15 million; incentives to industry for technological innovation and development, an increase of $12 million.

Since the over-all increase in items requiring to be voted annually by parliament totals $241 million, and the above-listed priority

programs are increased by $293 million, the combined 1970-71 budgets of all other programs in this category have been reduced from 1969-70 by a net total of $52 million, to an amount of $4,698 million. This reduction, and the resulting requirement to absorb salary and price increases within this lower total allocation means a considerable decrease in real terms of the cost of these programs.

Leaving aside the servicing of the public debt for which there is no option but to pay, the programs for which increases are provided relate to the basic priorities of the country: national unity, social justice, education and economic development here in Canada and in the developing countries.

The planned levels of strength in the Public Service continue the downward trend indicated in the estimates of 1969-70. The table which appears on page LXX of these estimates shows that this downward trend will continue in 1970-71 and indicates a reduction of about 7,500 in the planned level of continuing employment.

The tabling of these estimates marks a major step forward in an endeavour by the government to improve the process of resource allocation and to better inform Parliament and the people of Canada of the objectives, operations and costs of the departments and agencies of government. The form of these estimates is radically different from that which has been followed for more than half a century. For the first time the expenditure proposals respecting departments and agencies are clearly formulated in terms of programs. The objectives and sub-objectives of each program are stated and the nature of the program further amplified through a description of the activities carried on in pursuit of program objectives.

The aggregate of expenditures proposed to Parliament for each program is classified first in terms of these activities and second in terms of the portions of the aggregate to be devoted respectively to operations, to capital and to grants and contributions. Data are provided, under the same classifications, for the forecast expenditure for 1969-70 and the actual expenditure for 1968-69.

When a program involves large expenditures on capital there is provided a table listing the major projects and showing for each the expected total cost distributed between expenditures up to and including the current year, the expenditures forecast for 1970-71 and the subsequent total until completion.

[Mr. Drury.]

In previous estimates all items for loans, investments and advances were grouped together at the back of the Blue Book. In the new form such items are shown alongside the related budgetary expenditures in order to be more informative.

Greater detail on manpower, on grants and contributions and on revolving funds for quasi-commercial operations is provided. Improvement has also been made in the information provided on Crown corporations.

The Blue Book contains for the first time an explanatory foreword which seeks to clarify the technical terms used which, in the past, may have been difficult to understand. Included in the foreword are a number of tables summarizing the details of the estimates which will help to provide a better over-all picture.

All of this material is contained in one bilingual volume replacing the separate English and French Blue Books of former years. I have no doubt that our experience in the House and in committees reviewing estimates will suggest further modifications in form. We will be glad to receive suggestions for further improvement.

Mr. Speaker, I believe that the estimates in the form I am now tabling provide a clearer and more informative presentation than we have had heretofore of the proposed allocations of fiscal resources to the budgetary requirements of Canada.

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, my first remarks should be directed to the form of the estimates that are being provided to us. I think it will be an interesting innovation to handle them in this way. I do not want to appear to be nitpicking, but in the past the Auditor General's report was always deemed to be too thick and cumbersome and the books came apart and this year the Blue Book of estimates exceeds in size even the biggest report ever made by the Auditor General. It may be a matter of mechanics but we will see how it works out. That is my comment in that regard.

There is another comment I would make with regard to the form of the estimates. I refer to the insistence upon the publication of strengths of departments only on the basis of man-years required. I would say this is deceptive in many ways. It does not show the distribution of personnel within a department to the degree that is really warranted for the examination of the estimates and the various salary levels, now that we know that confidential instructions have been issued by the

Treasury Board with regard to salaries and the non-disclosure of salaries at certain executive levels, particularly with regard to premiums or merit pay. The presentation of the estimates in this form conceals information from members who are entitled to pass on the salary levels and conditions of employment of the government.

With regard to the size of the estimates I do not think anybody who has taken a good look at the totality of the estimates last year and in past years could doubt there would be an increase. The estimates are now approaching $13 billion. Last year the total was just under $12 billion, and with the supplementary estimates the amount will have gone just over the $12 billion mark.

When we consider that in 1963-64 the total estimates or total expenditures of the government were just over $6.4 billion we can see that the series of Liberal administrations has more than doubled government expenditures at the federal level. We have complained from time to time that this government follows the practice of taxing up to expenditures. It is for this reason that we are facing continuous surcharges or additional taxes. Now that the government tax proposals essentially increase tax rates under a so-called simplification of the tax tables—

• (2:30 p.m.)

Some hon. Members: Hear, hear!

Some hon. Members: No, no!

Mr. Lambert (Edmonton West): —it is part of the answer that we see this year an increase of some $900 million in expenditures.

Mr. Stanfield: I thought they were going to reduce them.

Mr. Lambert (Edmonton West): In the Department of National Health and Welfare hospital insurance, of course, is costing close to $100 million more this year and medicare $70 million more. The President of the Treasury Board did not disclose whether any provision had been made for possible expenditures if the province of Quebec should come into the medicare program. If that were to be the case then any remarks he has made with respect to supplementary estimates would be quite irrelevant because they would certainly be a long way off the mark.

We will see in the press tonight, after its members have had an opportunity to examine these estimates in detail, comment on the highlights of this program. I trust that the committees of the House will also look at these estimates very closely, Mr. Speaker.

As a general conclusion may I say it seems to me that once we see which departments have been given their head and what is happening to them as far as their personnel and spending programs are concerned, we will be able to judge whether the austerity program initiated last August was a true austerity program or an attempted exercise in public relations.

PRIVILEGE

MR. THOMPSON—ATTITUDE OF GOVERNMENT TOWARD ADJOURNMENT DEBATE—REQUEST FOR CONSENT TO MOVE MOTION

Mr. R. N. Thompson (Red Deer): Mr. Speaker, with the unanimous consent of the House I move, seconded by the hon. member for Wellington, that the question of privilege raised by myself earlier today be referred to the Standing Committee on Procedure and Organization.

Some hon. Members: No.

Some hon. Members: Agreed.

Mr. Speaker: There is not unanimous consent.

An hon. Member: Who said no?

Mr. Trudeau: I did.

An hon. Member: You fellows get used to saying no at home.

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

NATIONAL DEFENCE BUILDING, LEBRETON FLATS

Question No. 455—**Mr. Winch:**

1. What expenditures were made on all aspects of the planning and design of the Department of National Defence Building that was to have been constructed in Lebreton Flats?

2. What are the expenditures both actual and estimated, to date, required to redesign the proposed Department of Transport building to suit the needs of the Department of National Defence?

3. Were any on-site preparations undertaken for the proposed Lebreton Flats building and what were the costs?

4. What, if any, are the plans for the use of the Lebreton Flats site formerly intended for the Department of National Defence?

Questions

5. Would the government of Canada reconsider its decision and give first priority to the construction of the Department of Transport building?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): 1. $1,355,-885.95.

2. Accommodation requirements for the Department of National Defence are presently under review.

3. In so far as the Department of Public Works is concerned: Costs of soil investigation and surveys $40,355. No other on-site preparation was undertaken by the Department of Public Works.

In so far as the National Capital Commission is concerned: To make the site available for NDHQ or other uses, the NCC has been proceeding with a program of relocation of Hydro and Telephone trunk services at an estimated cost of $692,000.

4. The use of LeBreton Flats for a combination of public and private uses is now under study by the NCC.

5. No.

PUBLIC SERVICE LANGUAGE TRAINING

Question No. 634—**Mr. Coates:**

1. How many individuals have been provided with language training in the Public Service of Canada who have completed their training and how many were provided with training in English and how many with training in French?

2. How many individuals in the Public Service of Canada are presently taking language training in (a) English (b) French?

3. How many individuals in the Public Service of Canada have been informed that they must secure a working knowledge of a second language, or (a) they will not be able to continue in the position they presently hold, or (b) they will be dismissed from the Public Service and, in each instance, was the second language requirement English or French?

4. How many individuals have received demotions in the Public Service of Canada because they did not have a working knowledge of a second language and, in each instance, what was the language of the individual in question?

5. What has been the total cost to the federal Treasury for the provision of language training to members of the Public Service since the inception of the language training program and what is the breakdown between the cost of providing training in English and in French?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): I am informed by the Public Service Commission, the Department of Veterans Affairs, and the National Film Board as follows: 1. The number of Public Servants and employees of Crown Corporations who have been provided with language training in each year since the program was initiated in 1964 is as follows:

Year	In English	In French	Total
1963-64	10	32	42
1964-65	83	625	708
1965-66	368	2,425	2,793
1966-67	766	2,422	3,188
1967-68	1,320	4,322	5,642
1968-69	1,034	3,491	4,525

Of the above, 549 have completed English training and 455 French training at the Advanced Level. It is not known how many Public Servants may have been enrolled in second language training programs not falling under the jurisdiction of the Public Service Commission.

2. Between July 27, 1969, to December 17, 1969, 400 Public Servants and employees of a number of Crown Corporations have been attending English courses and 2,950 French courses. It is not known how many Public Servants are presently enrolled in second language training programs not under the jurisdiction of the Public Service Commission.

3. At the Public Service Commission no one has been informed that he (or she) must secure a working knowledge of second language or he (or she) will not be able to continue in his (or her) present position or that he (or she) will be dismissed from the Public Service.

However, administrative trainees are informed during their interviews that a working knowledge of the second official language is part of their employment contract. To this day none have refused to honour this part of their employment contract. The Commission presently employs six administrative trainees whose mother tongue is French and six whose mother tongue is English.

During the current staff reductions in the Department of Veterans Affairs two stenographers in Montreal have been declared surplus, partly because their language skills are only in English. Both of these employees have been offered alternative positions in the Department.

4. None.

5. From 1964 to the mid-point of the 1969-70 fiscal year, the total expenditures of the Language Bureau in providing language training to members of the Public Service will be about 15 million dollars. No precise breakdown can be given with respect to the training expenditures for English and French.

Pro-rated on the basis of enrollments, approximately 25 per cent would have been spent on teaching English and 75 per cent on teaching French.

In addition to the Public Service Commission's expenditures the National Film Board spent $112,000 for French training and $28,000 for English training.

INTERNATIONAL DEVELOPMENT RESEARCH CENTRE

Question No. 742—**Mr. Nesbitt:**

1. What is the estimated cost of the proposed International Development Research Centre?

2. Where is this Centre to be located?

3. Is consideration presently being given to changing this proposed site and, if so, to what area?

Hon. Mitchell Sharp (Secretary of State for External Affairs): 1. A minimum of $30 million would be allocated for the administration and programs of the IDRC over the first five years.

2. National Capital Region.

3. No. Bill C-12 provides that the Board of Governors, with the approval of the Governor-in-Council, may move the location to another place in Canada.

*TERMINATION OF SERVICE NOTICES, DEPARTMENT OF VETERANS AFFAIRS

Question No. 791—**Mr. Diefenbaker:**

How many veterans of World War II, by provinces, have received notices terminating their services in the Department of Veterans Affairs since September 1, 1969?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the answer to this question is as follows: Newfoundland, none; Nova Scotia, four; Prince Edward Island, one; New Brunswick, two; Quebec, ten; Ontario, 18; Manitoba, 13; Saskatchewan, four; Alberta, three; British Columbia, three.

AIRCRAFT CRASHES INVOLVING FIRE

Question No. 798—**Mr. Mather:**

1. How many aircraft crashes involving fire occurred on or at accessible locations near Canadian airports during the past ten years?

2. How many fatalities resulted from such crashes?

3. How many Canadian airports are without fire-fighting equipment?

4. How many are without fire-fighting equipment to handle jet traffic crash fires?

5. Has the federal government authority to order fire-fighting equipment at any airport?

Mr. Gérard Loiselle (Parliamentary Secretary to Minister of Transport): 1. Fifty-eight.

2. Ninety-five.

3. Out of a total of 799 airports in Canada (water, land and heliports) seven privately owned airstrips are without fire fighting equipment.

4. Of the 799 Canadian airports, the great majority are not suitable for use by jet aircraft. All airports handling scheduled jet traffic are equipped with fire-fighting equipment to varying degrees of sophistication. The needs of crash fire protection for such traffic are constantly under review by the Department.

5. Yes, as a condition of licensing or operation.

BANK OF CANADA OFFICERS

Question No. 821—**Mr. Orlikow:**

1. Who are the principal officers of the Bank of Canada and, in each case, what is his annual salary?

2. Who are the heads of the various departments within the Bank of Canada and in each case, what is his annual salary?

Hon. E. J. Benson (Minister of Finance): 1 and 2. The principal officers of the Bank of Canada, and heads of the various departments, are listed below:

The salary of the Governor was recorded in *Hansard* of December 3, 1969 in answer to question No. 489. The salary of other officers and officials is a matter of internal administration only which it is not considered necessary or appropriate to publish.

Officers: L. Rasminsky, C.C., C.B.E., Governor; J. R. Beattie, Deputy Governor; R. B. McKibbin, Deputy Governor; L. Hebert, Deputy Governor; R. W. Lawson, Deputy Governor; G. K. Bouey, Deputy Governor; B. J. Drabble, Adviser; L. F. Mundy, Director of Administrative Operations; G. Hamilton, Secretary; R. F. Hirsch, Auditor; A. J. Norton, Chief Accountant.

Secretary's Department: G. Hamilton, Secretary; P. D. Smith, Associate Secretary; C. H. Richardson, Deputy Secretary; I. G. L. Freeth, Chief of Computer Services; E. L. Johnson, Personnel Officer; Miss M. K. Rowland, Personnel Officer; S. S. Carroll, Curator, Numismatic Collection.

Department of Administrative Operations: A. J. Bawden, Chief; R. F. Archambault, Deputy Chief; S. V. Suggett, Special Assistant; E. B. Hodge, Superintendent of Premises; Currency Division: H. F. Butler, Chief; T. D.

MacKay, Deputy Chief; Public Debt Division: H. W. Thompson, Chief; A. Rousseau, Assistant Chief.

Research Department: G. R. Post, Chief; J. N. R. Wilson, Deputy Chief; I. A. Stewart, Deputy Chief; G. S. Watts, Research Adviser; W. A. McKay, Assistant Chief; Miss E. M. Whyte, Assistant Chief; D. B. Bain, Administrative Assistant; T. I. Norton, Special Assistant; Miss D. J. Powell, Special Assistant; P. R. Andersen, Research Officer; J. E. H. Conder, Research Officer; A. G. Keith, Research Officer; A. C. Lamb, Research Officer; G. G. Thiessen, Research Officer; J. A. J. S. Vachon, Research Officer; C. E. Strike, Graphics Officer; Miss H. Costello, Librarian.

Securities Department: D. J. R. Humphreys, Chief; A. Clark, Deputy Chief; J. M. Andrews, Deputy Chief; A. W. Noble, Securities Adviser; J. A. J. Bussieres, Assistant Chief; D. G. M. Bennett, Assistant Chief; R. C. Page, Securities Officer; C. G. Perry, Securities Officer; V. O'Regan, Securities Officer; Toronto Division: J. T. Baxter, Chief; J. Kierstead, Securities Officer. Montreal Division: T. G. Boland, Chief; J. E. J. Clement, Deputy Chief. F. Faure, Vancouver Representative.

Foreign Exchange Department: A. M. Jubinville, Chief; A. C. Lord, Deputy Chief; A. F. Pipher, Foreign Exchange Adviser.

*QUEEN'S PRINTER

Question No. 860—**Mr. Diefenbaker:**

Is it the intention of the Government of Canada to discard the title "Queen's Printer"?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the answer to the question is no.

*CAPE BRETON DEVELOPMENT CORPORATION PERSONNEL

Question No. 872—**Mr. Muir (Cape Breton-The Sydneys):**

1. What are the names, addresses and positions of the management of the Cape Breton Development Corporation?

2. What were their salaries and expenses in the last fiscal year?

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): Mr. Speaker, I am informed by the Cape Breton Development Corporation as follows: 1. Mr. Robinson Ord, President, Sydney, N.S.; Mr. Gerald Blackmore, Vice-President, Coal Division, Sydney, N.S.; Mr. F. J. Doucet, Vice-President, Industrial Development Division, Sydney, N.S.; Mr. B. A. Graham, Executive Secretary, Sydney, N.S.; Mr. Neil MacPherson, Comptroller, Sydney, N.S.; Mr. K. M. Pack, Assistant to the President, Ottawa, Ont.

2. It is not the practice of the corporation to disclose data on salary or other payments to corporate officials and staff.

AIRCRAFT REGISTRATIONS AND PILOT LICENCES

Question No. 873—**Mr. Forrestall:**

1. For the calendar year 1969, what were the total number of (a) Student Permits (b) Private Pilot Licenses (c) Commercial Pilot Licenses issued by each of the six DOT Regional Offices?

2. For the calendar year 1969, what were the total number of aircraft registration markings allocated?

3. As of December 31, 1969, what were the total number of (a) government (b) private (c) commercial aircraft registered in Canada?

4. As of December 31, 1969, what was the total number of (a) Private Pilots (b) Commercial Pilots (c) Commercial (Senior Commercial) (d) Airline Pilots, holding Canadian licences?

Mr. Gérard Loiselle (Parliamentary Secretary to Minister of Transport): 1. (a) Atlantic, 439; Quebec, 1,243; Ontario, 2,821; Central, 984; Western, 1,096; Pacific, 1,118. (b) Atlantic, 299; Quebec, 721; Ontario, 1,782; Central, 737; Western, 677; Pacific, 731. (c) Atlantic, 79; Quebec, 159; Ontario, 239; Central, 127; Western, 139; Pacific, 198.

2. 1,141.

3. (a) 200; (b) 7,404; (c) 3,168.

4. (a) 23,756; (b) 4,631; (c) 696; (d) 2,664.

CAMPBELLTON, N.B.—CANADIAN NATIONAL BUILDINGS

Question No. 877—**Mr. Corbin:**

1. How much did it cost to construct the new Canadian National buildings in Campbellton, N.B.?

2. What services will they house?

Mr. Gérard Loiselle (Parliamentary Secretary to Minister of Transport): The Management of Canadian National Railways advises as follows: 1. Following the Company's general practice proposals for the redevelopment of railway real estate in Campbellton were invited by published advertisement. Subsequently a lease of property was entered into with Restigouche Centre Limited and that Lessee has constructed an office building and shopping centre. The railway did not bear any of the cost.

2. The railway has, leased space from the developer in the office building for area offices and station and telecommunication facilities.

*AGRICULTURE—STORAGE OF BUTTER

Question No. 911—**Mr. Lambert (Bellechasse):**

1. How many pounds of butter are presently stored in Canada and in the Province of Quebec?

2. What is the market value of butter so stored?

3. Where are the warehouses in which this butter is stored and how many pounds of butter are stored in each (name of warehouse, location and quantity stored)?

4. (a) How long has the butter been so stored in each of these warehouses (b) how much is paid out annually or monthly per pound for the storage of this butter (c) what amount is paid to each of the warehouses?

5. How much was spent during each of the last five years on the storage of such butter?

[*Translation*]

Mr. Florian Côté (Parliamentary Secretary to Minister of Agriculture): Insofar as the Canadian Dairy Commission is concerned, the answers are: 1. In Canada, on January 1, 1970—75,885,748 lbs. In Quebec, on January 1, 1970—71,353,726 lbs.

2. Sixty-five cents per pound.

3. Quantity stored in each warehouse is regarded as confidential.

4. (a) Period during which butter has been in storage varies from less than one month to seven months. (b) Rates paid for storage vary from 12.5¢ to 16.8¢ per month per box of 56 pounds. (c) Payment to individual warehouses is regarded as confidential.

5. 1965-66, $1,582,866.01; 1966-67, $1,054,020.59; 1967-68, $1,052,463.14; 1968-69, $971,177.67; 1969-70 (to Dec. 31, 1969), $1,177,711.21.

[*English*]

BOEING OF CANADA LTD.

Question No. 945—**Mr. Burton:**

1. Has the Department of Regional Economic Expansion, under the Regional Incentives Act, authorized or provided an incentive grant to "Boeing of Canada Ltd." and, if so, what is the amount of the grant?

2. What is the total estimated cost of the project for which the grant was provided and what is the nature of the project and its location?

3. Who are the directors and chief executive officers of "Boeing of Canada Ltd." and what is the address of each?

4. To what extent is this company non-resident or foreign-owned or controlled?

5. What is the name and country of the known non-resident ownership in this company?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): I am informed by the Department of Regional Economic Expansion and the Department of Industry, Trade & Commerce as follows: 1. and 2. This information was contained in the monthly report tabled in Parliament on the operation of the Regional Development Act.

3. As of December 31, 1968, the directors and executive officers of Boeing of Canada Ltd. are: H. P. Burress, Vice-President and General Manager and Director; W. M. Allen, Director; W. J. Kane, Director; R. W. Thorrington, Director; K. R. Patrick, Director; R. G. Peers, Director; J. K. Prince, Director; J. S. Ciechan, Director; H. S. Tremper, Director.

4. 97.0 per cent non-resident owned.

5. The Boeing Company—United States.

WATER POLLUTION CHARGES LAID UNDER CANADA SHIPPING ACT

Question No. 966—**Mr. Harding:**

1. For the years 1963, 1964, 1965, 1966, 1967, 1968 and 1969, how many charges were laid against individuals or companies by persons in the department responsible for the enforcement of the Canada Shipping Act and Regulations regarding violations of the Act and Regulations dealing with pollution of waters?

2. How many of the above charges resulted in (a) convictions (b) dismissal of the charges (c) withdrawal of the charges?

Mr. Gérard Loiselle (Parliamentary Secretary to Minister of Transport): 1. 1963, 12; 1964, Eight; 1965, 11; 1966, 16; 1967, 20; 1968, 19; 1969, 19.

2. (a) 1963, 11; 1964, Eight; 1965, 11; 1966, 15; 1967, 19; 1968, 17; 1969, 18. (b) 1963, One; 1964, None; 1965, None; 1966, One; 1967, One; 1968, One; 1969, One. (c) 1963, None; 1964, None; 1965, None; 1966, None; 1967, None; 1968, One; 1969, None.

WATER POLLUTION CHARGES LAID UNDER NAVIGABLE WATERS PROTECTION ACT

Question No. 972—**Mr. Harding:**

1. For the years 1963, 1964, 1965, 1966, 1967, 1968 and 1969, how many charges were laid against individuals or companies by persons in the department responsible for the enforcement of the Navigable Waters Protection Act and Regulations regarding violations of the Act and Regulations dealing with pollution of waters?

2. How many of the above charges resulted in (a) convictions (b) dismissal of the charges (c) withdrawal of the charges?

Mr. Gérard Loiselle (Parliamentary Secretary to Minister of Transport): 1. The Navigable Waters Protection Act is not concerned with pollution of waters but solely with the protection of navigation. Consequently, no

charges have been laid regarding violations dealing with pollution of waters.

2. (a) (b) (c) Nil.

SUBSIDY TO HOG PRODUCERS 1960 to 1969

Question No. 1,038—**Mr. Robinson:**

What was the total subsidy paid to hog producers during each of the years 1960 to 1969 inclusive?

Hon. H. A. Olson (Minister of Agriculture): Subsidy paid to hog producers, 1960-1969: 1959-60, $8,227,898; 1960-61, $6,585,775; 1961-62, $7,055,615; 1962-63, $5,445,407; 1963-64, $7,479,484; 1964-65, $8,307,060; 1965-66, $8,239,021; 1966-67, $8,872,441; 1967-68; $10,250,577; 1968-69; $6,438,418.

QUESTION PASSED AS ORDER FOR RETURN

INDUSTRIAL RESEARCH ASSISTANCE—GRANTS TO FIRMS

Question No. 166—**Mr. Broadbent:**

1. For the years 1965, 1966, 1967, 1968 and 1969 (a) which and how many non-resident owned or controlled firms have been awarded financial grants or incentives under the Industrial Research Assistance Program administered by the National Research Council, and (b) in each case, what was the total financial grant or incentive allotted?

2. For the same years (a) which and how many Canadian owned or controlled firms have been awarded financial grants under the Industrial Research Assistance Program, and (b) in each case, what was the total financial grant or incentive allotted?

Return tabled:

[*Translation*]

MOTIONS FOR PAPERS

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, notices of motions for the production of papers Nos. 208, 318, 336 and 344 are acceptable to the government.

[*English*]

Mr. Speaker: Is it the pleasure of the House that notices of motions Nos. 203, 318, 336 and 344 be deemed to have been adopted.

Some hon. Members: Agreed.

RIGHTS OF NATIVE INDIANS

Motion No. 208—**Mr. Howard (Skeena):**

That an Order of the House do issue for a copy of all statements made by the Prime Minister relating to the subject of aboriginal, hereditary, usufructory or similar rights of native Indian people.

Motion agreed to.

[Mr. Loiselle.]

STUDENT LOANS REPORT BY KATES, PEAT AND MARWICK

Motion No. 318—**Mr. Skoberg:**

That an Order of the House do issue for a copy of the consultant report by Kates, Peat and Marwick and Company undertaken for the Department of Finance regarding the administration of Canada's Student Loans Plan as mentioned in answer to Question Number 2,452 of the past Session.

Motion agreed to.

WORK EXTENSION ORDER, EASTERN SHIP TRANSPORTATION

Motion No. 336—**Mr. Orlikow:**

That an Order of the House do issue for a copy of the December, 1969 Order-in-Council regarding work extension under the Canada Labour Standards Code of St. Lawrence River and East Coast of Canada transportation of goods by ships.

Motion agreed to.

WORK EXTENSION ORDER RESPECTING CAPE BRETON DEVELOPMENT CORPORATION

Motion No. 344—**Mr. Orlikow:**

That an Order of the House do issue for a copy of the December, 1969 Order in Council regarding hours of work extension under the Canada Labour Standards Code for the Cape Breton Development Corporation.

Motion agreed to.

[*Translation*]

Mr. Forest: Mr. Speaker, notices of motions Nos. 11 and 358 are acceptable to the government, subject to the usual reservations concerning confidential papers and to the authorization of the government authorities concerned.

[*English*]

Mr. Speaker: Subject to the reservations and conditions expressed by the Parliamentary Secretary, is it the pleasure of the House that notices of motions Nos. 11 and 358 be deemed to have been adopted?

Some hon. Members: Agreed.

NEWFOUNDLAND REFINING CO. LTD. TAX CONCESSIONS

Motion No. 11—**Mr. Orlikow:**

That an humble Address be presented to His Excellency praying that he will cause to be laid before this House copies of all correspondence between the Government of Canada, the Government of Newfoundland, and Shaheen Natural Resources Inc. of New York or its subsidiary the Newfoundland Refining Co. Ltd. of St. John's regarding tax concessions for a refinery to be built on Trinity Bay, Newfoundland.

Motion agreed to.

REPORT ON STUDENT ATTITUDES TO INDIANS

Motion No. 358—**Mr. Howard (Skeena):**

That an Order of the House do issue for a copy of the report on Student attitudes to Indian people by certain people at Glendon College.

Motion agreed to.

[*Translation*]

Mr. Forest: Mr. Speaker, would you be so kind as to call notices of motions Nos. 1, 171, 174, 194, 202, 205, 217, 228, 259, 271, 300, 308 and 343?

I ask, Mr. Speaker, that the remaining notices of motions be allowed to stand.

[*English*]

COPPER EXPORTS

Motion No. 1—**Mr. Saltsman:**

That an Order of the House do issue for copies of all export permits granted for copper exports for the period January 1, 1969, to September 30, 1969.

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the Minister of Industry, Trade and Commerce wishes to inform the member that details of applications for export permits have always been treated as confidential and are communicated only to persons legally entitled to such information. In view of this, the minister would ask the member to withdraw his motion.

Mr. Saltsman: Mr. Speaker, I should have thought that Members of Parliament were legally entitled to such information.

Mr. Macdonald (Rosedale): Transfer for debate.

Mr. Speaker: Transferred for debate.

AUTOMOTIVE INDUSTRY COST STRUCTURE STUDY

Motion No. 171—**Mr. Saltsman:**

That an Order of the House do issue for a copy of the study by economist David F. Smith of the Mechanical Transport Branch, Department of Industry, Trade and Commerce on "The Effects of Canada-United States Wage Parity Upon the Cost Structure of the Canadian Automotive Industries".

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the Minister of Industry, Trade and Commerce wishes to inform the hon. member that this study is an internal departmental document which contains privileged information received in confidence from the industry and therefore cannot be tabled. On this basis, the minister would ask the member to withdraw his motion.

Mr. Saltsman: Mr. Speaker, I would ask that this motion be transferred for debate because of the shaky nature of this industry.

Mr. Speaker: Transferred for debate.

PROGRAM TO ENHANCE PRODUCTIVITY

Motion No. 174—**Mr. Saltsman:**

That an Order of the House do issue for a copy of the preliminary cost-benefit study on the new program of the Department of Industry, Trade and Commerce to enhance productivity (PEP) as referred to in reply to Question No. 1,955 as reported in *Hansard* of June 4, 1969.

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the Minister of Industry, Trade and Commerce wishes to inform the hon. member that this study will not be tabled. This program is still in the early stages of development and subject to change, and it would not be in the public interest to table a preliminary analysis outlined in an internal working document. The minister hopes the hon. member will withdraw his motion.

Mr. Saltsman: I agree to withdraw, Mr. Speaker.

Mr. Speaker: Motion dropped.

Order discharged and motion withdrawn.

DEVELOPMENT OF ANTI-SMOG DEVICES

Motion No. 194—**Mr. Skoberg:**

That an humble Address be presented to His Excellency praying that he will cause to be laid before this House copies of all correspondence, memoranda, etc., provided to the Department of Consumer and Corporate Affairs by the United States Justice Department on anti-combines matters related to auto manufacturers and a conspiracy to delay development of anti-smog devices.

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, the material called for by this motion constitutes privileged communication between two governments, the publication of which would impair the usefulness of such exchanges. I ask the hon. member to consent to withdraw the motion.

Mr. Saltsman: Mr. Speaker, the minister's explanation is not acceptable. Please transfer this motion for debate.

Mr. Speaker: Transferred for debate.

Motions for Papers

TRADE PROMOTION COST—SALES RATIO

Motion No. 202—**Mr. Broadbent:**

That an Order of the House do issue for a copy of the study on the Department of Industry, Trade and Commerce trade promotion policies showing a 12:1 cost-sales ratio as stated by Mr. P. Schutte, Chief of the Trade Fairs Abroad Division of the Department.

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the Minister of Industry, Trade and Commerce wishes to inform the hon. member that the documents and reports from which this information is derived are internal working matter provided to the department by private firms on the understanding that they will be kept in confidence and used internally only. Publicizing such information would be a breach of this confidence and would make it difficult to obtain such data in the future. In view of this, the minister would ask the member to withdraw his motion.

Mr. Broadbent: Mr. Speaker, I cannot accept the statement that publicizing these documents would constitute a breach of confidence. I therefore refuse to accept the answer and ask that this motion be transferred for debate.

Mr. Speaker: Transferred for debate.

COMBINES—QUININE—CORRESPONDENCE PROVIDED BY U.S.

Motion No. 205—**Mr. Saltsman:**

That an humble Address be presented to His Excellency praying that he will cause to be laid before this House copies of all correspondence, memoranda, etc., provided to the Department of Consumer and Corporate Affairs by the United States Justice Department on anti-combines matters related to international drug companies and the price of quinine.

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, the material called for by this motion constitutes privileged communication between two governments, the publication of which would impair the usefulness of such written exchanges. I hope that the hon. member would consent to withdraw the motion.

Mr. Knowles (Winnipeg North Centre): I do not think he will, Mr. Speaker.

Mr. Macdonald (Rosedale): Transfer for debate.

Mr. Speaker: Transferred for debate.

[Mr. Speaker.]

CANADIAN TEXTILE INDUSTRY

Motion No. 217—**Mr. Skoberg:**

That an Order of the House do issue for a copy of the consultant report by Gherzi Textile Organization on the Canadian textile industry undertaken for the Department of Industry, Trade and Commerce in the fiscal year 1966-67, as mentioned in answer to Question Number 1,323 of the past Session.

Mr. Knowles (Winnipeg North Centre): Stand.

Mr. Speaker: Stand.

INDUSTRIAL PUBLIC RELATIONS STUDY

Motion No. 228—**Mr. Skoberg:**

That an Order of the House do issue for a copy of the consultant report by Public Industrial Relations Limited, a public relations study, undertaken for the Department of Labour in the fiscal year 1968-69, as mentioned in answer to Question Number 1,323 of the past Session.

Mr. Knowles (Winnipeg North Centre): Stand.

Mr. Speaker: Stand.

ADJUSTMENT ASSISTANCE BOARD LOANS

Motion No. 259—**Mrs. MacInnis:**

That an Order of the House do issue for a copy of the list of the 77 firms receiving loans from the Adjustment Assistance Board as mentioned in answer to Question Number 2,490 of the past Session.

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the Minister of Industry, Trade and Commerce wishes to inform the hon. member that it has always been the practice of the Adjustment Assistance Board not to reveal the names of its borrowers. This policy is in line with that taken by term lenders in the private sector. In view of this, the minister would ask the member to withdraw her motion.

Mrs. MacInnis: Mr. Speaker, since our taxpayers provide the funds for this board I think they have the right to know who obtains the loans. May this be transferred for debate, please?

Mr. Speaker: Transferred for debate.

RESEARCH STUDIES, CRTC ECONOMICS BRANCH

Motion No. 271—**Mr. Rose:**

That an Order of the House do issue for copies of the research studies by the Economics Branch

of the Canadian Radio-Television Commission on satellites, CATV, microwave and CATV, commercial policy, extension of service, FM radio, integration and rationalization of Canadian broadcasting, mentioned in answer to Question Number 82 as reported in *Hansard* on page 1137, November 24, 1969.

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, the Canadian Radio-Television Commission advises me that the studies mentioned in notice of motion No. 271 for production of papers are based on privileged financial information communicated to the Dominion Bureau of Statistics, in accordance with the Statistics Act.

For the above-mentioned reasons and as a result of the request made by the Canadian Radio-Television Commission, I would ask the hon. member to kindly withdraw that motion.

[*English*]

Mr. Rose: Agreed, Mr. Speaker.

Mr. Speaker: The motion is withdrawn.

Order discharged and motion withdrawn.

REPORT ON ATTITUDES OF INDIAN PEOPLE

Motion No. 300—**Mr. Howard (Skeena):**

That an Order of the House do issue for a copy of the report on attitudes of Indian people based mainly on a visit to the Six Nations Reserve on July 16, 1969, submitted to the Department of Indian Affairs and Northern Development by Berger, Tisdal, Clark and Lesley Ltd., as referred to on page 6 of the quarterly report on public relations activity, June, July, August, 1969 by the said Berger, Tisdall, Clark and Lesley Ltd.

Mr. Knowles (Winnipeg North Centre): Stand.

Mr. Speaker: Stand.

FEASIBILITY REPORT ON ALBERTA-MONTREAL PIPELINE

Motion No. 308—**Mr. Douglas (Nanaimo-Cowichan-The Islands):**

That an Order of the House do issue for a copy of the feasibility report prepared in the Department of Industry, Trade and Commerce regarding the construction of an oil pipeline from Alberta to Montreal.

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, as the House was informed in response to a similar inquiry earlier last year, internal working papers have been prepared from time to time on various oil policy questions. However, these papers are privileged matter and cannot be tabled. In view of this, the Minister of Industry, Trade and Commerce would hope the hon. member would withdraw his motion.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, since the Minister of Energy, Mines and Resources has quoted from this report and has made known what purports to be the conclusion of the report, it seems to me hon. members are entitled to it.

Mr. Macdonald (Rosedale): Transfer for debate.

Mr. Speaker: Transferred for debate.

TARIFF BOARD REPORT ON BINDER TWINE

Motion No. 343—**Mr. Salisman:**

That an Order of the House do issue for a copy of the Tariff Board Report on Binder Twine for Bailing Farm Produce.

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): Mr. Speaker the requested report was tabled in the House by the Minister of Finance on June 20, 1969 as sessional paper 85B. In the circumstances perhaps the hon. member will agree to withdraw his motion.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, at last we have found out how to obtain information: We must ask for something we already have.

Order discharged and motion withdrawn.

Mr. Speaker: Shall the remaining notices of motions stand?

Some hon. Members: Agreed.

ORAL QUESTION PERIOD

THE CANADIAN ECONOMY

INFLATION—CONSENSUS REACHED BY NATIONAL CONFERENCE ON PRICE STABILITY—ACTION BY GOVERNMENT

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, may I direct a question to the Minister of Consumer and Corporate Affairs, who I am sure will be very frank and full in his disclosures.

Mr. Bell: Mostly full.

Mr. Stanfield: I would ask the minister whether the government, having virtually reviled and spat upon guidelines as an instrument for fighting inflation for two years while inflation galloped along, is now prepared to

adopt as a guideline for 1970 the consensus reported to have been widely adopted yesterday and the day before with regard to price restraint?

Mr. Benson: Who spat on the Prices and Incomes Commission?

Mr. Speaker: May I point out to the Leader of the Opposition that the question as asked is not proper. If he will refer to the relevant references and citations I am sure he will agree with me that the question was perhaps not in accordance with the procedural requirements of the House. However, since the question has been asked, perhaps the minister might now reply.

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, I congratulated the chairman of the Prices and Incomes Commission yesterday on the announcement that was made. I think it represents an extremely useful initiative. There are many implications flowing from the statement on pricing criteria made last night. We shall be meeting within the next few days with members of the commission to consider what implications there are for government. We shall also be discussing with all provincial governments the implications flowing from the statement. We shall be discussing them with the provincial premiers on Monday.

Mr. Stanfield: A supplementary question, Mr. Speaker. Can the minister tell the House what sort of proposition the government intends to make to the provinces with regard to the guideline or consensus which was achieved? Specifically, what support does the government want from the provinces?

Mr. Basford: Mr. Speaker, I have said in the House before that I hope we shall make the program of the Prices and Incomes Commission as effective as possible. What the government of Canada's position with the provincial premiers will be on Monday and Tuesday is, I think, a proper subject for the Prime Minister to deal with.

Mr. Stanfield: A further supplementary question, Mr. Speaker. Does the minister intend to propose any legislation to the House with regard to this matter? Does the government intend to rely simply on moral suasion or does it propose to take punitive action, if necessary, in order to enforce this consensus?

Mr. Sharp: What do you advocate?

[Mr. Stanfield.]

Mr. Basford: Mr. Speaker, I must repeat what I have said. We are studying with the commission the implications of what has taken place—

Mr. Stanfield: You have no policy at all. Sit down.

Mr. Benson: You have no ideas either.

Mr. Basford: —and whether further action is called for or not will be announced in due course.

Mr. Stanfield: You have no policy.

Mr. Basford: I should think, from my reading of the hon. gentleman's speeches over a period of time, that he would welcome the statement that was made.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Mr. Stanfield: You have no policy. We have had two years of talking and doing nothing.

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I direct a question to the Prime Minister about the price stability conference which concluded its hearings yesterday. Inasmuch as the chairman of the Prices and Incomes Commission indicated that the next step is to take this matter to the federal-provincial conference, does the government of Canada intend to ask the provinces to take concurrent action to give to the Prices and Incomes Commission the power to make the agreement reached in the last few days applicable, to use Dr. Young's words, to the entire business economy? Does the government intend to ask the provinces to give the commission the power of sanction so as to deal with price increases which have already been put into effect?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, as my colleague, the Minister of Consumer and Corporate Affairs just said—

An hon. Member: He has not said anything.

Mr. Stanfield: No. He has not said anything.

Mr. Crouse: Neither has the Prime Minister.

Mr. Trudeau: Obviously you do not want information.

Mr. Douglas (Nanaimo-Cowichan-The Islands): A supplementary question, Mr. Speaker. Since the chairman of the Prices and Incomes Commission indicated that the

agreement reached in the last few days must now go before the federal-provincial conference, may I ask what proposals the Prime Minister intends to place before the provincial premiers in order to make any agreement that was reached effective for the entire Canadian economy?

Mr. Woolliams: He does not know the answer.

Mr. Douglas (Nanaimo-Cowichan-The Islands): A further supplementary question, Mr. Speaker. Since the Prime Minister does not seem to have any information today, may I go back to the well that was proven dry awhile ago, the Minister of Consumer and Corporate Affairs. Can he say if the moratorium on increases in copper prices, freight rates and the prices of other commodities which was to be effective until March 1 will expire on that date or continue for the balance of 1970 in compliance with the agreement reached yesterday?

Mr. Basford: The agreements made between the government and these particular companies to roll back prices, as announced by the Minister of Finance, run out on March 1. Their status after that date will, I think, depend on the reaction of the governments next week to the proposals which were agreed upon last night.

[*Translation*]

Mr. Bernard Dumont (Frontenac): Mr. Speaker, I would like to put a question to the Prime Minister.

Since industrialists, businessmen and bankers who took part in the price stabilization conference seem to take this matter seriously, being satisfied to lunch on a sandwich or a bowl of soup, is not the government considering as an austerity measure to launch such a practice for ministers, hon. members and officials in parliamentary restaurants?

[*English*]

Mr. G. W. Baldwin (Peace River): I have a supplementary question for the Minister of Justice. Has the minister been requested by any of his colleagues to consider the form of any legislation which might be required to give effect to any consensus which may have been arrived at, or any arrangements which may be reached with the provincial governments? Has he asked the law officers of his department to consider the drafting of such legislation?

Hon. John N. Turner (Minister of Justice): I do not think I can answer the question in those terms. We are, of course, concerned to see that anything the federal government does to ensure the economic stability of this country is done in a constitutional way.

Mr. Baldwin: Am I to take it that no consideration has been given so far to bringing in legislation?

Mr. Turner (Ottawa-Carleton): Well—

Mr. Trudeau: Are you sore this went so well?

Mr. David Lewis (York South): May I direct a supplementary question either to the petulant Prime Minister or to the Minister of Consumer and Corporate Affairs and ask either one of them whether the contents of the agreement reached at the close of the conference yesterday were discussed with the government or with the Minister of Consumer and Corporate Affairs, or whether the contents of the agreement were entirely in the hands of Dr. Young and his associates on the commission?

Mr. Basford: I told the House some time ago that there had been close discussion between members of the commission and officials of the various departments of government. I told the House on Monday, I believe, that officials of my department and other departments were present as observers at the conference.

Mr. Lewis: I did not ask whether they were present as observers. Would the minister inform us whether the officials of his department or of any other department participated in the conference which led to the particular conclusions reached, and whether they advised Dr. Young and his associates, or whether the commission acted entirely on its own, away from those officials?

Mr. Basford: The departmental officials were there; they were observing and they were aware of the documents put before the commission and the positions taken.

[*Translation*]

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I have a supplementary question for the Minister of Consumer and Corporate Affairs.

After increases in prices and interest rates, here we have 250 businessmen, bankers, etc. who reach an agreement. Can the minister say whether the agreements made during the

conference will prompt the government to consider the real problem of Canadians: the consumer's chronic lack of purchasing power?

Mr. Speaker: Order, please. I doubt whether this question may be allowed. The minister might ponder the hon. member's proposition.

INFLATION—ACTION TO SEEK CO-OPERATION OF UNIONS

Mr. André Fortin (Lotbinière): Mr. Speaker, I would like to address a supplementary question to the Minister of Consumer and Corporate Affairs.

As labour leaders did not participate in the discussions with the Prices and Incomes Commission, what steps does the Canadian government intend to take to initiate talks with union leaders with a view to having them take part in this voluntary restraint program?

[*English*]

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): I would hope, as I am sure all Canadians would, that the union movement in Canada will be as helpful as possible.

[*Later:*]

[*Translation*]

Mr. Fortin: Mr. Speaker, I wish to ask a supplementary question following that one I directed earlier to the Minister of Consumer and Corporate Affairs. Are there at present consultations or meetings between officials of his department and the unions in order to discuss the voluntary restraint program suggested by the Prices and Incomes Commission a few days ago?

[*English*]

Mr. Basford: For the present, the Chairman of the commission is meeting with the government with regard to the implications of the statement which was made last night. I do not think a new initiative will be taken along the lines suggested by the hon. member until at least the federal-provincial conference is over.

LABOUR RELATIONS

FORT GARRY HOTEL STRIKE—USE OF OTHER PERSONNEL

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I had one question I wanted to put to two ministers, and thus save time. The Minister of Labour and the Minister of Transport were the ministers I had in mind. But in the absence of the Minister of Labour, may I direct my question to the Minister of Transport, and perhaps there could be some discussion about it between him and his colleague. In view of the fact that there is a legal strike in process at the Fort Garry Hotel in Winnipeg, and in view of the fact that management is flying in personnel from other parts of Canada, which seems to be an effort to break the strike, will the minister and his colleague let us know whether it is government policy to engage in strike-breaking of this kind?

Mr. Speaker: The hon. member may realize that his question contains allegations of some kind. However, the minister may wish to reply to the substance.

Hon. Donald C. Jamieson (Minister of Transport): I shall be glad to look into the matter. This is the first intimation I have had concerning it.

Mr. Knowles (Winnipeg North Centre): Will the minister discuss this with his colleague the Minister of Labour because, after all, both departments are certainly concerned?

Mr. Jamieson: Yes, Mr. Speaker.

VANCOUVER LONGSHOREMEN'S STRIKE—REQUEST FOR REPORT ON SITUATION

Mr. Eldon M. Woolliams (Calgary North): I should like to ask the Prime Minister whether the Minister of Labour will be back shortly, or whether he himself will report to the House now or delegate somebody else to do so concerning what is going on in the port of Vancouver? I know that hon. members to my left are sympathetic to the situation in which the western farmers find themselves, but the ports are still closed and I think we are entitled to get an answer.

Right Hon. P. E. Trudeau (Prime Minister): The minister is due back in the House on Monday, Mr. Speaker.

Mr. Woolliams: Rome burns while the Prime Minister fiddles.

TRANSPORT

APPLICATION BY GREAT NORTHERN RAILWAY TO BUILD RIGHT-OF-WAY TO HAUL COAL

Hon. W. G. Dinsdale (Brandon-Souris): My question is for the Minister of Transport. I should like to ask the minister whether his attention and the attention of the government have been drawn to the application of a

United States railway company, the Great Northern, to build a right-of-way in British Columbia for the purpose of hauling Canadian coal destined for Japan? If so, what action has the government taken on the matter?

Hon. Donald C. Jamieson (Minister of Transport): Of course our attention has been called to it. It is a matter which is now before the Canadian Transport Commission. The commission will deal with it in the normal way, and until such time as they have dealt with it it does not appear that any action is required either on the part of the Department of Transport or on the part of the government.

Mr. Dinsdale: A supplementary question. Inasmuch as the government of British Columbia seems to be closely involved in these matters, could the minister indicate whether he has had conversations with representatives of that government?

Mr. Jamieson: No, Mr. Speaker, I have not.

Hon. Marcel Lambert (Edmonton West): A supplementary question, Mr. Speaker. In view of the neutrality of the Canadian Transport Commission in matters of this kind, since it is a judicial body, does the minister not think that the Department of Transport or the government of Canada should be represented by counsel acting as an intervener or holding a watching brief?

Mr. Jamieson: Mr. Speaker, that proposal is worth consideration and I will be glad to give it such consideration.

MOVEMENT OF GRAIN THROUGH PORT OF VANCOUVER

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, the Minister of Transport appears to be the only minister, other than the Minister of Consumer and Corporate Affairs, who has not taken the vow of silence. Therefore I ask him, in the absence of the Minister of Labour, whether he can make any report that will give hope to the farmers of western Canada that transport will continue to be provided and that the loading of wheat will continue at Vancouver between now and Monday next, when the Minister of Labour will return once more to the House.

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, all I can say in reply to that question is that the National Harbours Board, for which I report, is ready to proceed as soon as a decision is made about the settlement of the strike. I assume that the only thing that can be done at the moment is to wait until the result of the vote is released tonight. If the result is satisfactory, we will move at once; if not, as the Minister of Labour has indicated, other steps will be taken.

Mr. Diefenbaker: If the vote is not favourable, will the House and the country have to wait until the minister returns on Monday?

Mr. S. J. Korchinski (Mackenzie): I have a supplementary question, Mr. Speaker. In the interval, while the government is dilly-dallying, could some boxcars not be diverted to Thunder Bay, rather than waiting for a decision with regard to the west coast ports?

Mr. Jamieson: Mr. Speaker, all I can say is that I would scarcely call an appropriate and proper procedure, in terms of voting, "dilly-dallying". If there is a delay beyond tonight, an indication has already been given in this House that steps will be taken to get the grain moving as fast as possible.

Mr. H. Russell MacEwan (Central Nova): Mr. Speaker, I have a supplementary question. Will the Parliamentary Secretary to the Minister of Labour undertake to report tomorrow to the House and to the people of Canada the result of the vote.

Mr. Jim McNulty (Parliamentary Secretary to Minister of Labour): Mr. Speaker, I will be in touch with the Minister of Labour this afternoon and will take that matter into consideration.

EXTERNAL AFFAIRS

PROPOSED U.S. NUCLEAR TESTS

Mr. Barry Mather (Surrey): Mr. Speaker, I have a question for the Secretary of State for External Affairs. A couple of weeks ago, I believe, the minister indicated that the government of Canada had not at that time decided whether to make representations to the government of the United States, as it did on a previous occasion, expressing opposition to the United States decision to explode a massive nuclear bomb underground in the north Pacific. Is the minister prepared to make an early statement on Canada's position?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, on February 4, in answer to a similar question by the hon.

member for Fundy-Royal, I said we were expecting to obtain from the United States the results of the previous explosion, and that we would examine these results before deciding whether it was appropriate for us to make any further representations.

POLLUTION

CHEDABUCTO BAY—SITUATION RESPECTING TANKER "ARROW"—REMOVAL OF WARNING BUOY—LIABILITY COVERAGE

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, my question is directed to the Minister of Transport. I wonder whether the minister could clarify conflicting statements as to the position of the stern of the tanker *Arrow* and what is happening to it in view of what he said on Monday about moving it out to sea and sinking it or pumping out the bunker oil.

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I am not surprised at the hon. member's confusion. I have had the suspicion sometimes that there are times when he cannot tell his bow from his stern. Apart from that, the position at the moment is that there are very high winds and 15-foot waves prevailing in the area. Three tugs have a line aboard on the stern portion of the ship. It is shifting on the rock ledge but has not yet moved off the rock ledge. The intention is to keep it on the ledge until the bad weather subsides. It is still floating. As I indicated yesterday, if we can see a way in which to pump the oil into another vessel so that the oil will not have to be either burned or dumped into the water, we will take appropriate action. However, this will not be possible today since weather conditions are such that salvage activities are virtually at a standstill.

Mr. Louis-Roland Comeau (South Western Nova): A supplementary question, Mr. Speaker. I take it from what the minister has said that the situation is now under control. Yesterday he said that it was not.

Mr. Jamieson: Mr. Speaker, it is slightly more under control. When there are 3,800,000 gallons of oil around, the situation is never under control until the oil is disposed of. It is under control to the extent that the seepage from either the bow or the stern sections has been considerably reduced as a result of the ability of the salvage experts to seal off some of the cracks in the hull.

[Mr. Sharp.]

Mr. Nowlan: A supplementary question to the genial minister. I make no bones about the fact that I do know where my stern and my bow are, but from the minister's explanation it sounds as though he is still at sea. In view of the conflicting statements that he made on Monday and Tuesday I ask him whether the department has considered bringing the stern section of the tanker that is floatable to the shore and draining it of oil on the shore, or burning it in a controlled way on the shore, rather than taking the stern farther out and dumping the oil in the deep sea where it will still cause pollution?

Mr. Jamieson: Mr. Speaker, all these possibilities are being examined and tested by experts both in the ecological field and in the salvage field. Whichever method proves to be the least harmful will be the one employed. Certainly, the least harmful method of all, if it can be achieved, is to keep the stern afloat until the oil has been pumped into another container or ship, and this is what we are trying to achieve.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I have a supplementary for the Minister of Transport. Is it correct, as has been suggested, that the rock was marked by a buoy until a few weeks ago, when the buoy was removed?

Mr. Jamieson: Mr. Speaker, I cannot answer that question directly. As I said yesterday, a study is under way; an investigation is being made of the entire incident. As soon as a report is available, I will see it is provided to the House and the public.

Mr. Mark Rose (Fraser Valley West): Mr. Speaker, I have a supplementary question for the Minister of Transport. Since the present legislation does not provide for unlimited liability insurance to be carried as protection against accidents of this type, could the minister inform the House what is the total liability insurance carried by the *Arrow* in respect of both vessel and cargo? I also ask whether the minister believes, as does his colleague the Minister of Energy, Mines and Resources, that the polluter in such cases must pay.

Mr. Speaker: Order, please. I am not sure that the second part of the question is in order. If the minister has the information, he might respond to the first part of the hon. member's supplementary.

Mr. Jamieson: The position as I understand it—and I will be meeting with representatives of an international group this afternoon—is that an international fund has been established for this purpose. As I understand it, it is contributed to by major oil companies and has been established for precisely the purpose of covering the costs involved in this kind of clean-up operation. For myself, I have no problem in stating that in my view the responsibility is clearly that of the shipping company and the oil company. Every effort will be made, within whatever powers we possess, to make sure that they pay the costs.

Mr. Stanfield: A further supplementary question, Mr. Speaker. In view of the minister's statement that he does not know whether this rock was marked by a buoy at the time of the disaster, or traditionally, rather than keeping the House and the country waiting for a formal report would the minister undertake to report to the House the next time he is here whether this rock had been traditionally marked but the buoy had been removed?

Mr. Jamieson: Mr. Speaker, I will report as fully as possible, consistent with whatever are the legal implications of the inquiry. I simply point out to the hon. gentleman that there are many issues involved here with regard to liability and the like. I do not want, as perhaps he might be suggesting, to jeopardize any legal claims that might be made by people in his own province of Nova Scotia.

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I have a further supplementary question for the Minister of Transport. In view of the loss of the *Arrow* on the east coast, will the minister consider placing radar reflectors on the top of spar buoys along the coast of Atlantic Canada, in view of the fact that spar buoys are placed there in the wintertime to replace bell buoys and other markers which might be affected by shore ice? Will the minister consider installing radar reflectors in place of spar buoys, because this might in future prevent occurrences such as we have experienced?

Mr. Jamieson: Yes, Mr. Speaker, I will be glad to look into that suggestion.

EXTERNAL AFFAIRS

TRANSFER OF NERVE GAS FROM OKINAWA TO UNITED STATES

Mr. David Anderson (Esquimalt-Saanich): Mr. Speaker, in view of the fact that the loss of the *Arrow* emphasizes what the Minister of Transport said yesterday, that shipwrecks occur regardless of the measures and precautions taken, will he instruct our ambassador to the United States to vigorously protest the proposal of the United States government, or certain segments of it, to ship nerve gas by sea through the Strait of Juan de Fuca?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, we have been in consultation with the United States about the shipment of nerve gas. We have been informed that a decision has been made to make the shipment, although the date has not yet been fixed. I am instructing our ambassador to obtain all the information he can as to the safety precautions that have been taken so we can satisfy ourselves that there is a minimum of danger to the people of the United States and to the people of Canada.

Mr. Anderson: I appreciate the hon. minister's reply, but has he instructed the ambassador to protest this decision by the United States authorities?

Mr. Sharp: No, Mr. Speaker, not yet. It may be that on the basis of the information we receive from the United States we may have a reason for protest. The people of the United States have exactly the same interest as we have in maximum safety. If we satisfy ourselves that the precautions are not adequate we will make a protest, but not otherwise because we assume that the people of the United States have just as great an interest in the safety of the movement as we have.

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, in view of the fact it is anticipated that the route of the ships transporting the nerve gas will be through the Strait of Juan de Fuca and through Canadian territorial waters, will the minister assure the House that he will make representations to the government of the United States urging that until the government is satisfied that all the necessary protective measures have been taken the ships will not go through these waters but will proceed directly to the United States coastline?

Mr. Sharp: First of all, I should like to reassure the hon. gentleman and the House that there is no intention that the ships will go through Canadian waters. The problem is, however, that in the Strait of Juan de Fuca the waters are narrow. Therefore, we have a legitimate interest in seeing that safety

precautions are adequate. If we are satisfied that they are, we will accept them; if we are not so satisfied, we will protest.

Mr. Speaker: Order, please. I suggest to hon. members that we have had a number of supplementary questions on this subject and that we should go on to another matter. If we have time, perhaps we can return to the very important matter raised by many hon. members.

CAPE BRETON DEVELOPMENT CORPORATION

REQUEST BY UNION OFFICIAL FOR APOLOGY BY MINISTER

Mr. Robert Muir (Cape Breton-The Sydneys): Mr. Speaker, I have a question for the Minister of Regional Economic Expansion. Is he in receipt of a communication from the general representative of the CB of RT, Cape Breton, Mr. Gilbert MacIntyre, taking exception to a recent statement the minister made in the House regarding this union and asking for an official apology and, if so, can he advise what consideration he has given to the request?

[*Translation*]

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, I received such a letter, and its contents are based on false assumptions. When the hon. member himself mentioned the name of a union, on January 27, it was not Local 510, but the retired coal miners pensioners union and that is the question to which I replied. There was never any reference to Local 510 in my reply, and I owe nobody any apologies, it was merely a question of misinterpreted facts.

[*English*]

Mr. Muir: I rise on a point of order, Mr. Speaker. The minister's statement is completely erroneous. He has accused me of something of which I am not guilty. I did refer to local 510 of the CB of RT, and with your indulgence I should like to go further into this matter at the time of adjournment.

Mr. Marchand (Langelier): I rise on a question of privilege, Mr. Speaker. I point out that the question put on January 27 by the hon. member was as follows:

> Mr. Speaker, I have a question for the first minister. Has the right hon. gentleman received a written complaint from the retired coal miners pensioners union at Sydney—
>
> [Mr. Sharp.]

The hon. member did not refer to local 510. This is the answer to his question.

Mr. Speaker: Order, please. The minister has raised a question of privilege and the hon. member has raised a point of order and given notice that he will pose the question again at the time of adjournment. I suggest that the matter be allowed to rest there for the time being.

Mr. Muir (Cape Breton-The Sydneys): With all due respect to you, sir—

Mr. Speaker: Order, please. Is the hon. member rising on a question of privilege?

Mr. Muir (Cape Breton-The Sydneys): I am rising on a question of privilege, sir. If the minister will look at the appropriate part of *Hansard* he will see that I did not refer the question to the Prime Minister. The matter to which I had reference was raised on another day. On that occasion the minister went on to refer to a group of old men, superannuated miners, pensioners and so on. I then pointed out to him that it was the union local 510 of the CB of RT whose employees are at present employed in the coal mine in Cape Breton for which the minister is responsible, in case he does not know. I suggest that he correct himself on the point he has raised regarding what I have been talking about. When I posed the question to the minister in this House it was on another day. I shall give him the appropriate pages in *Hansard* but I should still like to be heard on the late show.

Mr. Speaker: Order, please. I appreciate that the hon. member still wants to consider the matter at the time of adjournment. I have respectfully suggested to the minister and the hon. member that this appears to be a very interesting point of debate. I certainly do not think it should be pursued as a question of privilege at this time.

LABOUR CONDITIONS

LEGISLATION TO PROVIDE FOR SUBSTANTIAL NOTICE OF LAY-OFFS

Mr. J. Edward Broadbent (Oshawa-Whitby): Mr. Speaker following the announcement by General Motors of Canada today that a number of employees, many with up to 17 years seniority, will be laid off at Oshawa on Friday after only a period of two days notice, I should like to ask the Minister of Labour

whether the government is contemplating legislation during this session which would compel companies in this country to give substantial advance notice to employees who are about to be laid off?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, in respect of the first part of the question I cannot comment on a statement of facts of which I am not aware, but I will discuss them with the Minister of Labour. I suggest that the legislation referred to by the hon. member is something he should be proposing to the provincial government, not the federal government.

FINANCE

ASSISTANCE TO MUNICIPALITIES TO CLEAN UP SEWAGE PROBLEMS

Mr. Randolph Harding (Kootenay West): Mr. Speaker, in view of President Nixon's proposal for a new federal-municipal financing arrangement that in five years will provide every community which needs it with secondary waste treatment, and also special additional treatment in areas of special needs, including communities on the Great Lakes, I should like to ask the Minister of Finance whether the federal government will match this proposal with a real drive to assist all Canadian municipalities to clean up their sewage problems in five years, with special assistance to those Canadian areas where special need is indicated, such as the Great Lakes system?

Mr. Speaker: Order, please. I should like to suggest to the hon. member that, while the minister obviously wants to reply, the hon. member is inviting the minister to make a statement which to my way of thinking would be of a rather general nature and ought to be made on motions.

Mr. Harding: Mr. Speaker, on a question of privilege, might I ask the minister if he would make a statement on motions and when?

Hon. E. J. Benson (Minister of Finance): I would very much like to look at the statement of Mr. Nixon which I have not seen to date. The federal government has been assisting with sewage disposal for municipalities for I believe about eight years now, so we are probably about eight years ahead of the United States.

[*Translation*]

NATIONAL FILM BOARD

RECONSIDERATION OF ORDER LEVYING CHARGES FOR USE OF FILMS

Mr. Gaétan-J. Serré (Nickel Belt): Mr. Speaker, I have a question for the Secretary of State.

In view of the fact that the National Film Board's decision to set charges for the use of their films, which would prevent a very great number of citizens from using that precious service, does the minister intend to make representations to the NFB, urging them to reconsider their decision?

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, I have already replied to that question several times. Barring new developments, the NFB's decision has already been reconsidered and, as far as the NFB is concerned, reconfirmed. If however new factors are brought forward, it may be changed.

Mr. André Fortin (Lotbinière): Mr. Speaker, I wish to put a supplementary question to the Secretary of State.

Was he consulted before the NFB took that decision?

Mr. Pelletier: Yes, Mr. Speaker.

[*English*]

TAXATION

WHITE PAPER ON REFORM—CONFLICTING ESTIMATES OF INCREASED REVENUES

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to ask the Minister of Finance, in light of the statement reported last evening and attributed to the Prime Minister of Ontario, which reaffirmed Ontario's calculation of $1.3 billion as the figure of increased revenue represented by the white paper, whether the minister has altered his calculation or can he report any progress to the House with regard to reaching a consensus on the matter?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, as I reported to the House, from a cursory glance at the Ontario figures I found an error of $200 million. We offered to meet with the provincial officials immediately and they asked for a postponement of ten days to check their figures.

Mr. Stanfield: In light of the statement of the Minister of Finance and the fact that he is sticking to his position, I wonder whether he is prepared to disclose to the House the

research and material upon which the government's calculation is based so that the country will be in a position to judge who is right?

Mr. Speaker: I would suggest that this information could be given by way of a statement on motions.

Mr. Stanfield: Mr. Speaker, I simply asked whether the minister is prepared to disclose this information to the House. He is a very forthcoming minister and might be prepared to do it.

Mr. Speaker: I suggest he should not forthcome at this time.

Mr. Stanfield: I do not wish to be difficult or stubborn about this, Mr. Speaker, but I simply asked not whether he is prepared to make a statement but whether he is prepared to disclose this material at his convenience.

Mr. Benson: Immediately Ontario came out with different figures we offered to compare our figures with theirs and they took some time to supply us with the details of their calculations. When they did there was an obvious error of $200 million and perhaps many more errors. We then offered to meet with them to compare the figures and they asked for a ten-day postponement. My officials are appearing before the parliamentary committee. The committee has the right to ask for any formation it wants with regard to calculations and so on. I understand my officials have been co-operating completely with the committee.

INDIAN AFFAIRS

NORTHERN QUEBEC—TRANSFER OF JURISDICTION OVER ESKIMOS—RIGHT TO VOTE

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, my question is directed to the Minister of Indian Affairs and Northern Development. Some days ago he informed the House that certain individuals were looking over the situation in northern Quebec and Ungava in connection with the Eskimo population there who apparently are destined to be brought under provincial control. What has been the result up until now of the discussions which have taken place? Second, will he give assurance to these Eskimo people that before action of this kind is taken they will have the right to vote concerning whether or not they wish to continue exclusively under federal jurisdiction, which is constitutionally their right, or have certain portions of the jurisdiction over them transferred to the province?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, to answer the first part of the right hon. member's question, officials who have been assigned to this task by the federal and provincial governments are soon to leave for discussion of this problem with the Eskimos. We have undertaken to consult them on this matter, and this is the reason why we have not reached any decision. Nevertheless, I want to assure the House that any renting of services by the federal government from the provincial government, aimed at giving better service to the Eskimos, will not take away from them any constitutional right. They will continue to be protected by the British North America Act.

[*English*]

Mr. Diefenbaker: That is not the question I asked. I asked what right the government of Canada has to move these people around as if they are chattels without having a vote on their part to accept. Consultation is all right but approval is a different matter and they have a right to a vote.

[*Translation*]

Mr. Chrétien: Mr. Speaker, under the agreements reached by the federal and provincial governments in 1964, it was decided that the Eskimos would be consulted about the development of this procedure and this is what we are doing now. I said that they were being consulted and that is what we are actually doing.

[*English*]

Mr. Diefenbaker: But they have to have the right of agreement. They cannot be pushed around like that.

AIR TRANSPORT

IMPOSITION OF SURCHARGE BY SPANISH GOVERNMENT ON CANADIAN FLIGHTS

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, my question is directed to either the Secretary of State for External Affairs or the Minister of Transport. Is it the intention of the Canadian government to make representations to the Spanish government under the bilateral air agreement with regard to the action of that government in imposing

a punitive surcharge of flights by Canadian companies with the result that the Canadian companies have suffered extensive losses?

Hon. Donald C. Jamieson (Minister of Transport): The Canadian Transport Commission, I understand, has requested the Department of External Affairs to make inquiries of the Spanish government along the lines the hon. member mentioned.

Mr. Lambert (Edmonton West): In the interval is the government contemplating any action vis-à-vis Spanish airlines coming into Canada so that Canadian interests shall not be affected adversely with impunity?

Mr. Jamieson: I will take a look at that suggestion, Mr. Speaker.

Mr. Speaker: Orders of the day.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I rise on a point of order having to do with our plans for today. I put it in the form of a question to the President of the Privy Council. In view of the fact that the Parliamentary Press Gallery has invited us all to a reception this evening—and it has done so without any discrimination—can the President of the Privy Council assure us that the House will not sit beyond six o'clock so that we can accept the invitation?

Mr. Macdonald (Rosedale): Mr. Speaker, I am intrigued with the fact that the hon. member is keen to get a drink, but I will do my very best not to disappoint his rather unusual request.

Mr. Knowles (Winnipeg North Centre): They serve orange juice, you know.

GOVERNMENT ORDERS

INVESTMENT COMPANIES

MEASURE RESPECTING FURNISHING OF INFORMATION, LOANS AND INVESTMENTS, TRANSFERS OF SHARES, ETC.

On the order: Government orders:

Second reading and reference to the Standing Committee on Finance, Trade and Economic Affairs of Bill C-179, an act respecting investment companies—the Minister of Finance.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I rise on a point of order in respect of the measure which has just been called. Because my point of order goes right to the root of the issue as to whether this question can be put to the House, I think it best that I raise it now. Very briefly, the gist of my point of order is that there has been a breach of Standing Order 62(2) with regard to this measure. I shall read a few lines of Standing Order 62(2), as follows:

The message and recommendation of the Governor General—

I interject to say that this, of course, is the message referred to in section 54 of the British North America Act, which by constitutional decree provides that any financial matter must be preceded by a message from the Governor General.

—in relation to any bill for the appropriation of any part of the public revenue or of any tax or impost shall be printed on the Notice Paper and in the *Votes and Proceedings* when any such measure is to be introduced and the text of such recommendation shall be printed with or annexed to every such bill.

• (3:30 p.m.)

I call to Your Honour's attention the fact that this is the machinery which the House has adopted for the purpose of implementing section 54 of the BNA Act. It lays down a mandatory requirement that in three respects this shall be done: First, that the Governor General's message and recommendation must be printed on the Notice Paper when the measure is introduced; second, that the message and recommendation must also be printed in *Votes and Proceedings* when any such measure is to be introduced; and third, that the text of the recommendation must be printed with or annexed to every such bill.

An examination of the documents indicates that on January 16 in *Routine Proceedings and Orders of the Day* there appears under the name of the Minister of Finance (Mr. Benson) a bill entitled an act respecting investment companies, and it is accompanied by what appears to be a recommendation which at first blush would cover the provisions of this bill.

Then on Monday, January 19, in the absence of the Minister of Finance, the President of the Privy Council (Mr. Macdonald) for the minister—this appears in *Votes and Proceedings* No. 47—seconded by Mr. Olson, by leave of the House introduced Bill C-179, an act respecting investment companies, which was read the first time and ordered to be printed and ordered for a second reading at the next sitting of the House.

I submit with confidence that this is not accompanied by the text of the recommendation, as it should be under Standing Order 62

(2), according to which the message and recommendation of the Governor General should be printed in the Notice Paper and in *Votes and Proceedings* when any such measure is to be introduced. In other words, there has been compliance to the extent that it was printed in *Routine Proceedings and Orders of the Day* on January 16, and it may well be printed in the original bill. I do not know, because the original bill is in the custody of the Chair and I am not aware of this. It does appear in the copies of the bill which have been circulated. Whether or not it appears in the original bill, I do not know. This may well be where the mistake lies. However, it does not, as it must, appear in *Votes and Proceedings*.

It seems that there is an incurable defect which, it may well be suggested, can be cured because the text of the recommendation did appear in Routine Proceedings. But that is not enough. *Votes and Proceedings* is the journal in which this House records officially the proceedings of the House. On a very controversial and contentious measure of this kind, this omission may well be challenged in the courts. There is certainly one particular aspect which requires the recommendation; the one providing for the $200 million guarantee to which there is a great deal of opposition, certainly from me. However, that deals with the substance of the matter, and we are debating the procedural issue. If this matter is challenged, the courts must go to *Votes and Proceedings* to determine whether there has been compliance and to show that the BNA Act has in fact been complied with.

I submit very simply that at the time the bill was introduced, this did not appear. To show the contrast, let me point out that yesterday we finished dealing with the Expropriation Act bill which was introduced for first reading on November 3, 1969, and in *Votes and Proceedings* No. 8, at page 54 the following notation appears:

> Mr. McIlraith for Mr. Turner (Ottawa-Carleton), seconded by Mr. Sharp, by leave of the House, introduced Bill C-136, an act respecting the expropriation of land, which was read the first time and ordered to be printed and ordered for a second reading at the next sitting of the House.

Then follows the text of the message and recommendation of the Governor General which is printed pursuant to Standing Order 62 (2). On examining *Votes and Proceedings* from time to time I note that this new practice, which was established in 1968 under the revised Standing Orders, has been followed throughout this session.

[Mr. Baldwin.]

As I said, it may well be that this bill in its original form—I am not seeking justification but explanation—was introduced last year in the other place and there it was amended very substantially. But this year the government reintroduced it in the House with a number of changes, one of which dealt with what in my submission is a financial measure and therefore requires the addition of a recommendation. The recommendation was obtained, but I have some doubt whether the original bill contained the recommendation. This may well account for the fact that it does not appear in *Votes and Proceedings*.

I make that argument. If Your Honour accepts my recommendation, you might feel unanimous consent might be given to cure the defect, if hon. members are willing to give it, and I do not know that they are. I urge Your Honour to consider that the omission of the recommendation is very dangerous because, as I have indicated, the fact is that this is a constitutional requirement and failure to observe it might strike at the legality of this measure, not only in the House now but in the future. For this reason it seems to me that if Your Honour upholds my view the matter may well have to be reviewed and a decision taken upon it.

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, the hon. member has raised a point of order of which I had not previous notice, so I have not had the opportunity to consult with the officials of the table and to examine the original bill. Therefore, I cannot speak about the actual documents which are in the possession of the officials of the table and the staff of the House. I wish to make several points in this regard, to the best of my knowledge. The hon. member implied in his remarks that there was an irregularity because there was no recommendation last year but there is one this time.

Mr. Baldwin: I was just explaining how this omission might have happened.

Mr. Macdonald (Rosedale): The recommendation occurs because of the further additions that were made to the bill in the current edition. I suggest that a distinction should be made with respect to the requirements of Standing Order 62 (2) and the suggestion as to constitutionality. I agree that before a bill is introduced involving an expenditure from the Consolidated Revenue Fund, under our constitution the recommendation of the Governor General is required.

I suggest, however, that if the recommendation of the Governor General has in fact been received—and I have not had the opportunity to check on this fact—we would have to decide whether the provisions of Standing Order 62 (2) are directory only with respect to the carrying on of the business of the House, and do not involve a fundamental defect in the procedure of the House to the extent that the matter could not be proceeded with. I suggest that the provisions under the Standing Order do not involve a constitutional matter; they are with regard to the *Votes and Proceedings* and *Orders of the Day* only.

• (3:40 p.m.)

Of course, as Your Honour knows, *Votes and Proceedings* are not under my direct control. There may have been an omission in *Votes and Proceedings* on that particular day, an oversight in their preparation. I suggest it is an oversight of a directory character only and does not go fundamentally to the propriety of receiving the bill. Not having had any opportunity to give the matter advance consideration, I regret I cannot bring an argument to bear more fully on it for the benefit of the Chair. But I suggest that we proceed with discussion of the bill. I assure the House that if it be decided that there is a formal defect in the introduction of the bill, it would not be the government's intention not to proceed with the legislation but we would reintroduce it.

I suggest that while the records of the House may be examined with regard to the hon. member's point of order, and while you, Mr. Speaker, may have an opportunity of considering the procedure in this regard, we should proceed with the debate as scheduled this afternoon so that we can at least have a preliminary discussion of the matters involved in the proposals put before the House.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, this is a very interesting point of order that the hon. member for Peace River (Mr. Baldwin) has raised. Like the President of the Privy Council (Mr. Macdonald), I had no advance warning that it was coming, but I suppose that does not deter me from getting into the discussion. It seems to me, Mr. Speaker, that it is pretty hard to get around the language of Standing Order 62(2) so far as our procedures are concerned. To that extent I concur in the argument that has been put forward by the hon. member for Peace River. However, I feel I cannot support his argument that there is any danger of a court case over a piece of legislation because some of our Standing Orders were not followed.

Not having had time to look things up or bring the citations here, I have not got them in front of me; but I know. Citations exist which state that once a bill is finally passed, provided it is within the terms of the constitution the courts do not look back into our procedures to determine whether or not we kept every one of our rules. My, oh my, the courts would be busy if they had to do that. I submit, therefore, that the question of the constitutional requirement being kept really does not come into this question.

Section 54 of the British North America Act says that a money bill is not lawful unless there has been the recommendation by the Governor General. The bill itself, in the printed form that we have it, carries that recommendation, and it may well be a defect that *Votes and Proceedings* does not show that that recommendation was actually noted by the Chair when the bill was given its introduction. I believe that that is the form that Your Honour usually follows in these bills. Usually, when a bill of this kind is introduced, Your Honour makes a note of the fact that it has been recommended to the House in this session by the Governor General. Therefore, Mr. Speaker, I think I am bound to take the position that it is not a constitutional problem but it is a procedural one, and I think either one of two things should be done, or perhaps both. On the one hand, the practices of the table in this matter perhaps should be looked into. It may be that when a bill of this kind is introduced, *Votes and Proceedings* should note that the recommendation was referred to by the Chair. The other thing is that perhaps Your Honour will say again that this is something you should refer to the Committee on Procedure and Organization to see whether the rule does not need to be refined.

In other words, I am not worried about the constitutional angle but I think there is a point so far as the procedural angle is concerned. But if this is the position, perhaps we could resolve it this afternoon by giving unanimous consent to proceed with the legislation at this time, and that is what I suggest.

Mr. Speaker: I am not sure whether other hon. members wish to participate in the procedural discussion, but I believe I am sufficiently guided to reach a decision. The hon. member for Edmonton West (Mr. Lambert)

looks in the direction of the Chair with his customary quizzical glance and I assume he would like an opportunity to participate in the debate; therefore, I will recognize him.

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I do not know how we can set aside this particular rule requiring notice of the recommendation because, after all, the rules govern how we are to conduct our business. If there had not been 48 hours notice we could not proceed, and it is just as important to have the recommendation in *Votes and Proceedings* as it is to have a copy of the bill itself. That recommendation goes to the heart of the bill.

I was concerned in rulings given in this House just the other day when certain amendments were brought forward to a bill and they were not included in the recommendation concerning the bill. It is here that the recommendation controls the ambit of the bill and it seems to me just as important to have the recommendation in *Votes and Proceedings* as it is to have it in the bill.

[*Translation*]

Mr. André Fortin (Lotbinière): Mr. Speaker, Standing Order 62 (2) is self-explanatory and reads as follows:

> The message and recommendation of the Governor General in relation to any bill for the appropriation of any part of the public revenu or of any tax or impost shall be printed on the Notice Paper and in the *Votes and Proceedings* when any such measure is to be introduced and the text of such recommendation shall be printed with or annexed to every such bill.

Mr. Speaker, it does seem that this text contains no ambiguity, whereas the arguments put forward by the President of the Privy Council are ambiguous and offer nothing new.

I feel that the case made by the hon. member for Peace River (Mr. Baldwin) is logical, for his point of order emphasizes that, in his opinion, Bill C-179 is contrary to the provisions of Standing Order 62 (2).

As for us, from the Ralliement créditiste, we do not want to delay the debate or to influence your decision. We just want to abide by your good judgment, Mr. Speaker, while hoping that you will as usual apply the spirit as well as the letter of the Standing Orders.

[*English*]

Mr. Speaker: I thank hon. members for the views they have expressed on the very important and interesting point of order raised by the hon. member for Peace River (Mr. Baldwin). I should say at the outset that the Chair agrees that the requirements of the Standing Order have not been followed. As hon. members have mentioned, Standing Order 62(2) requires:

> The message and recommendation of the Governor General in relation to any bill for the appropriation of any part of the public revenue or of any tax or impost shall be printed on the Notice Paper and in the *Votes and Proceedings* when any such measure is to be introduced and the text of such recommendation shall be printed with or annexed to every such bill.

It is obvious that it was not published in the *Votes and Proceedings* which I have before me. For the record I wish to point out that this is not an error on the part of the President of the Privy Council (Mr. Macdonald), and that the officials of the Chair and of the table recognize that this is an error on their part. We take the liberty of considering it a clerical error. I realize it is perhaps more than that. It is obviously a procedural mistake; but we have to take the responsibility, entirely and exclusively, for the fact that the recommendation was not published, as it should have been published, in the *Votes and Proceedings* of this House.

This having been said, I go back to the argument proposed by the hon. member for Peace River who referred to the fact that the recommendation of His Excellency is required. I have before me the original submission which came from the office of the President of the Privy Council, which does include with the draft bill the recommendation of his Excellency the Governor General recommending to this House the measure which is now before us for consideration. That is the constitutional requirement. So I suggest that if there is a point before us now, it is a procedural point of order and the suggestion that the adoption of this bill would not be constitutional, or would in some way be illegal, is not correct. The hon. member for Winnipeg North Centre (Mr. Knowles) suggested that any procedural difficulty, any procedural mistake, would be corrected by the passing of the bill, and he is obviously right.

• (3:50 p.m.)

All this having been said, I recognize that an error has been made, that we have not published the recommendation in *Votes and Proceedings* as should have been done. In view of the fact that this is basically a procedural difficulty, I suggest that it can be cured by the

unanimous agreement of the House. If there is no unanimous agreement, I am not too sure how it can be corrected except by the publication of an errata as an appendix to the proceedings of this day and the bringing forth of the same measure tomorrow. That is the only alternative. We either do that or we have unanimous consent to proceed with the bill at this time. If there is no consent, the Chair in consultation with the table officers will find a way to publish a correction in the official records of the House, and the bill could proceed tomorrow or whenever hon. members agree it should be proceeded with.

Mr. Lambert (Edmonton West): Mr. Speaker, may I ask the Minister without Portfolio (Mr. Gray) whether, in light of the information he communicated to us earlier today, he is in a position to make the full statement he intended to make, or a truncated version? Our consideration today is bound to a great extent by the decision of the minister.

Mr. Speaker: I would hope that the decision taken by the House would be based on the procedural aspect and not on whether the minister will make a long or a short statement. I suggest that hon. members should agree whether they want to proceed or not on the basis of the argument proposed to the House and the decision of the Chair.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I should like to suggest, in light of the assurance that the table, or clerical error will be corrected, that we proceed.

Some hon. Members: Agreed.

Mr. Baldwin: Mr. Speaker, there seems to be a general view to proceed with this bill. In any event, the error could be cured by giving unanimous consent to having the omission made good in the *Votes and Proceedings* of today. That inclusion would to all intents and purposes be regarded as a fulfilment of Standing Order 62 (2). The failure to include this particular recommendation in *Votes and Proceedings* at the appropriate time might well be considered a failure to comply with section 54 of the BNA Act. However, we are prepared to give unanimous consent. If that consent would include having it put on the Order Paper or in *Votes and Proceedings* for today, that is all right.

Mr. Speaker: Hon. members have heard the suggestion of the hon. member for Peace River. Is this agreed?

Some hon. Members: Agreed.

Hon. Herb Gray (for the Minister of Finance) moved that Bill C-179, respecting investment companies, be read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

He said: Mr. Speaker, the purpose of this bill is to establish a system of reporting, inspection and supervision applicable to a class of federally-incorporated companies that are acting in a substantial way as investment intermediaries and that are not otherwise supervised. The class of companies to which the act would apply may be described broadly as those companies that raise money on debt instruments and use some or all of the money so borrowed for investment purposes.

There now exists extensive legislation providing for supervision and inspection of most types of companies under federal charters that solicit funds from the public on the basis of contracts calling for repayment of the funds at some time in the future or payment of insurance benefits. Such companies include banks, trust companies, mortgage loan companies and insurance companies. The absence of a system of reporting, inspection and supervision applicable to companies that do not fall within any of these classes, but nevertheless borrow funds from the public for investment purposes, represents a gap in the existing pattern of supervisory legislation. The fact that such a gap can have serious consequences has been illustrated by a number of failures of financial institutions within the last few years. Fortunately, these were not under federal charter but we feel action should be taken to avoid such a possibility with respect to federally chartered companies in this category.

Perhaps the main type of company that would be covered by the act are those commonly referred to as sales finance companies. These are companies that engage, to an important extent, in the business of purchasing instalment sales contracts from merchants and in purchasing other types of obligations arising from the sale of goods. The act will, however, apply to certain other types of companies also, where the money raised by borrowing is used for investments of other types.

It should be noted that the act would apply only to companies that raise funds on debt instruments. Thus, it would have no application to those companies that are acting as investment intermediaries but on the basis of funds raised by the sales of shares, including mutual funds. The purpose of the legislation

is to see to it that companies remain solvent and able to meet their obligations. Thus, it has applicability only if a company has debt instruments outstanding. Shareholders undertake to follow the fortunes of the enterprise in which they invest and there is no obligation to repay any fixed amount to them.

In outline, the legislation defines the classes of companies that would be subject to it, requires such companies to file annual statements with the Department of Insurance and other information that may be requested from time to time, and authorizes the Superintendent of Insurance to examine the condition and affairs of companies when he considers this necessary. Companies coming under the legislation would be required to obtain a certificate of registry as a means of identification and control. The superintendent would be required to report to the minister in any case where he thought the company's ability to meet its obligations was inadequately secured, and the minister, if he agreed with the opinion of the superintendent, would have the authority to take one or more of several courses of action leading to improvement of the company's financial position or, if the case if serious enough, leading to the termination of the company's activities.

The legislation does not propose to impose any restrictions or limitations on the operations of companies with the exception of a prohibition against investments and loans where there may be a conflict of interest. The general purpose is to establish a reporting and inspection procedure rather than to impose a series of specific rules or regulations with which companies must comply. The expenses of administering the act would be assessed against the companies in proportion to their assets. This is in accordance with the practice now followed as respects supervision of other types of financial institutions.

The bill contains certain provisions that are applicable to sales finance companies only. First, for those sales finance companies that are not now under foreign control, the legislation would limit transfer of shares to non-residents to ensure they remain under Canadian control. The limitations would put a maximum on the total holdings of shares by non-residents of 25 per cent of the issued shares of the company and a maximum on the holdings by any one non-resident of 10 per cent of the issued shares. Existing shareholdings would not be disturbed, but if they are now in excess of the named limits no further increase would be permitted.

[Mr. Gray.]

Second, the Canada Deposit Insurance Corporation would be empowered to make loans to Canadian-controlled sales finance companies for the purpose of enabling them to meet emergency liquidity requirements, and would be empowered to borrow money from the Consolidated Revenue Fund, through the Minister of Finance, for this purpose. Such loans would only be made against adequate security and only for the purpose of short-term liquidity needs, and as he just said this borrowing is done by the Canadian Deposit Insurance Corporation.

These remarks are a general outline of the nature and purpose of the legislation. Further remarks will now be made in respect of certain aspects that are of particular importance. The act will apply only to federally-incorporated companies and only to companies that are transacting the business of investment or that have been incorporated primarily for that purpose. The act defines the business of investment as the borrowing of money on the security of debt instruments and the use of some or all of the proceeds of such borrowing for making loans or investments, including the purchase of real estate for investment purposes and the purchase of conditional sales contracts, accounts receivable and other obligations arising from the sale of merchandise.

• (4:00 p.m.)

Certain exemptions are provided in the bill. The exemptions are designed to exclude from the application of the act companies where the borrowing or investment activities are a minor part of its business, or where the company confines itself to borrowing from banks and substantial shareholders.

To be more specific, a company carrying on the business of investment, but having less than 40 per cent of its assets in the form of loans or investments, would not be subject to the act. The figure of 40 per cent is the same criterion as is used in the Investment Companies Act in the United States. This figure will have the result of including within the act those companies for which a major part of their assets represent investment-type instruments as distinct from property, equipment or inventory used in the transaction of a company's business.

Also excluded from the application of the act would be companies that have borrowed money but whose outstanding debt is less than one-third of the capital and surplus. This would mean that where the borrowing is

small in relation to the company's resources, the act would not apply. Nearly all companies borrow to some extent from time to time, and it is intended that this act apply only to companies that are significantly acting as investment intermediaries.

Investment dealers or brokers would be exempt from the act if they are licensed by a public authority. Such organizations do not act as investment intermediaries in the normal sense of the term, although they may borrow money and may have a substantial portion of their assets in the form of investment-type instruments from time to time. It is thought that they could be exempted if they are licensed by some public authority. Firms that are members of the Investment Dealers Association would fall into this category.

A further exclusion would apply to companies that borrow only from banks or from substantial shareholders. Substantial shareholders are defined as persons who own more than 10 per cent of the voting stock of the company. Companies that borrow only in this way are not raising funds from the public. Most companies borrow from time to time from their banks, but may not be acting as investment intermediaries in any ordinary sense of the term. The exclusion in favour of bank-borrowing would therefore avoid requiring the act to apply to a great many companies that are not of the type where supervision is required or justified. The exclusion in favour of companies that borrow only from substantial shareholders would leave out private companies for the most part.

Another exclusion would be in favour of companies incorporated under part II of the Canada Corporations Act, that is, companies that are formed without share capital for charitable, religious or other similar purposes. The minister responsible for the act would also have the right to exclude a company if he is satisfied that the business of investment is carried on by it in only an incidental way or is of a very short duration.

The purpose of these rather elaborate provisions dealing with the application of the act is to confine its application to companies that are acting as investment intermediaries in a significant way and have a significant amount of debt instruments outstanding.

In order to avoid applying the act to an industrial organization that is set up in the form of a holding company with subsidiary operating companies, provision has been made for regarding the investments by a parent company in a subsidiary as not being investment type instruments for purposes of testing the application of the act so long as the subsidiary is not itself a company that has more than 40 per cent of its assets in investment-type instruments. Thus, a holding company that borrows money from the public and uses the money to finance its operating subsidiaries would not be subject to the act.

Companies subject to the act would be required to file an annual statement with the federal Department of Insurance within four months after the close of its fiscal year. The statement would be in such form as the Superintendent of Insurance determines, but he has the authority to accept a copy of the financial statement and the auditor's report as submitted to the company's shareholders if he considers that this gives satisfactory information. He may also call for such additional information as he may require to carry out the purposes of the act.

The act would require the auditor of a company to be an accountant who has at least six years' experience and who is a member in good standing of an institute or association of accountants incorporated under the authority of a province. This is the same qualification required of auditors under the Bank Act. It may be noted here that companies subject to the Investment Companies Act would also be subject to the Corporations Act, and consequently would also have to comply with the audit provisions specified in that latter act. The minister would have power to enlarge the scope of the audit if he thought that necessary and could obtain reports from the auditor. The Superintendent of Insurance would have power to examine companies subject to the act when he considers that necessary.

The only provision modifying the powers of companies in any way would be a provision preventing investments and loans that are not at arm's length. This provision is the same as that included in the bills to amend the Canadian and British Insurance Companies Act, the Trust Companies Act and the Loan Companies Act that are now before Parliament. In essence, this provision would prohibit an investment company lending money to an officer or director or a member of his immediate family, and from lending money to any person who owns more than 10 per cent of the voting stock. If more than 10 per cent of the voting stock is owned by a corporation, the investment company could not make investments in that corporation.

The investment company would be barred, also, from lending money to or making investments in another corporation if an officer, a director or a substantial shareholder had a significant interest in that other corporation. A significant interest would be considered to exist if the person concerned owned more than 10 per cent of the capital stock of the other corporation. This provision is intended to prohibit the investment company from lending money or making investments where the persons who make the investment decision, or who may be presumed to influence the investment decision, have a personal interest in the investment. Investments and loans that are not at arm's length have been one of the sources of trouble where companies have got into difficulties. It is not sufficient to rely merely on disclosure of the interest of the officer or director in such cases since the problem is to protect the creditors of the company rather than the shareholders.

Companies would be required to apply for and obtain certificates of registry under the act. A limited period of time is given within which a company must make application for a certificate. After the expiration of this period a company is not permitted to increase its indebtedness unless it holds a valid certificate, so long as it remains an investment company.

Where the superintendent forms the opinion that the financial condition and affairs of an investment company are such that its ability to meet its obligations is in question, he is required to report to the minister. The minister, if he agrees with the views of the superintendent and after giving the company a chance to be heard, then has the option of taking one or more courses of action. These would include specifying a period within which the company is to remedy the matters criticized, the imposition of conditions on the company, the withdrawal of its certificate, a direction that the company cease carrying on the business of investment and a direction to the superintendent to take control of the company's assets.

Control of assets of a company by the superintendent would not mean that the company would be out of business. It would put the superintendent in charge of the assets, but it would be expected that the company would continue to carry on its normal business activities until further consideration could be given as to the next step. The superintendent would not have the power to dispose of any assets or initiate any action. His approval would be required before any disbursement or investment could be made.

Where any company has its certificate of registry withdrawn or fails to apply for a certificate of registry within the time provided, the Attorney General would be empowered to apply to a court of competent jurisdiction for a receiving order under the Bankruptcy Act. An appeal would lie from any action by the minister in connection with the imposition of requirements on the company. The appeal would be to the Exchequer Court. The superintendent would be required to make an annual report to the minister on the administration of the act. A list of the companies registered under the act would be published annually in the Canada Gazette.

One special class of companies that would be subject to the act merits particular comment, and I think I should make an additional comment. These are of the class that are usually called sales finance companies. They are defined in the bill as companies having at least 25 per cent of their assets in the form of loans or in the form of purchased conditional sales contracts, accounts receivable, bills of sale, chattel mortgages, bills of exchange, promissory notes or other obligations representing some or all of the sale price of merchandise. Conditional sales contracts issued by a company in connection with sale of its own merchandise would not be considered as investment for purposes of the bill.

As I said, in the case of those sales finance companies that are now under Canadian control a limitation would be placed on the transfer of their shares to non-residents. This limitation is a maximum of 25 per cent of the shares to all non-residents and a maximum of 10 per cent to any one non-resident. This limitation and the terms of the legislation applying it are practically identical with a similar limitation applicable to life insurance companies, trust companies, mortgage loan companies and banks.

At the present time there are operating in Canada a number of sales finance companies that are under foreign control and a number that are under Canadian control. In proposing this legislation the intention is to retain under Canadian control those companies that are now so controlled in order to retain a significant Canadian element in the industry. The proposal would not protect the Canadian-controlled companies from competition but would prevent Canadian-controlled companies from being taken over by non-residents.

• (4:10 p.m.)

A further provision relating to sales finance companies, and in particular to Canadian-controlled sales finance companies, should also be mentioned. Sales finance companies must be able to raise funds in order to carry on their business by way of loans or provision of credit for purchase of merchandise. To retain a Canadian-controlled element in the industry, Canadian-controlled companies must be able to compete on more or less equal terms with the foregoing-controlled companies in order to borrow funds in the market. It sometimes happens that the foreign-controlled companies have access to funds outside Canada, through parent company organizations, which are not available to Canadian-controlled companies. Also, in raising money in the Canadian market foreign-controlled companies can sometimes give the guarantee of their parent company as additional security. This may put the Canadian-controlled company at a disadvantage.

The bill therefore proposes that to give added confidence in the debt instruments issued by Canadian-controlled sales finance companies, and thus put them in a more nearly equal competitive position vis-à-vis foreign-controlled corporations, the Canada Deposit Insurance Corporation would be empowered to make loans to such companies where loans are necessary to meet short-term liquidity needs. Such loans will have to be adequately secured and would be for terms not exceeding six months. The CDIC would be empowered to borrow from the Consolidated Revenue Fund moneys which might be needed to carry out this function. The maximum borrowing power would be fixed at $200 million.

This emergency lender-of-last-resort facility corresponds to facilities which are available through other legislation for banks, trust companies, mortgage loan companies and investment dealers. It is not expected that any company would have to rely on it except in unusual circumstances, and the lending power is not intended as a substitute for lines of credit which a sales finance company should get and maintain with its bankers. It will, however, provide an emergency facility should unforeseen events cause some liquidity crisis.

This facility should be looked at in light of the whole structure of the act establishing a pattern of supervision and inspection. This structure would be used to keep a close contact with companies and to detect trends in their operations which seem to be carrying unusual risk as far as liquidity is concerned. Thus, it would be expected that information would be available and action could be taken in advance of any emergency liquidity crisis. However, unforeseen events do sometimes occur and it is considered that this lender-of-last-resort facility will add to the confidence in the Canadian-controlled sales finance companies and in the strength of the industry generally.

I would be happy to answer questions or respond to comments made by hon. members in the course of the debate either by way of a reply at the conclusion of this discussion here or, certainly, before the finance committee. I therefore ask the House for its support of the bill at this time.

Mr. Lambert (Edmonton West): Mr. Speaker, this bill has had a chequered history. It has had a long legislative history, If the House were aware of just what has happened to it, or the form it took when it first came before Parliament and the purpose of the government in introducing it, I believe we would be in a better position to appreciate what is before us, notwithstanding the remarks of the Minister without Portfolio (Mr. Gray) who is associated with the Minister of Finance (Mr. Benson).

This measure appeared in the Senate on November 12, 1968, as Bill S-17. After undergoing considerable revision it was passed and sent to this House in June of 1969. Here, it was given only first reading. Today it is brought forward again. It has come to us in a revised form; there are several changes which we ought to consider. Let us examine them in some detail.

At one time I think it was suggested that the bill be given the title, "An act to Provide for the Quiet Concentration of Enormous Economic Power in the Hands of the Government." What happened was this: the bill was introduced, not by the leader of the Senate but by another hon. senator who read a statement to the effect that the purpose of the bill was to protect Canadian investors from the collapse of federally-incorporated companies, primarily of the finance and acceptance type, which were not presently regulated or supervised by statute.

Senator Desruisseaux said in the other place:

> Recent collapses of several companies of this type, although essentially involving companies under provincial jurisdiction, have underlined the danger of

such a vacuum. Many investors have suffered losses and, on occasion, confidence in the stability of our financial institutions has been shaken.

In the committee hearings in the other place the Superintendent of Insurance candidly admitted that no federally-incorporated company of the provincially-incorporated Prudential and Atlantic Acceptance type had ever been in difficulties to his knowledge. In other words, this was a bill, presumably, to ensure that the sun would rise tomorrow somewhere in Canada. The superintendent also admitted that the scope of the definition of "investment company" went so far beyond the ordinary meaning of those words that all companies federally-incorporated, with certain exceptions, would be included.

I am told the bill originated with the idea that certain amendments should be made to acts dealing with trust companies, loan companies, insurance companies and investment companies. We were told by the Minister of Finance in a speech delivered on May 26, 1969, to the Canadian Life Insurance Association at the Seigniory Club, Quebec, that the philosophy behind this legislation was the protection of the public. Financial institutions and the services they provide are undergoing new developments, the minister said. These changes carry risks and dangers to the public. The new difficulties and dangers magnify government problems in attempting by legislation to give the public the protection it needs. The government, he went on, must have a tool to apply necessary compulsion upon management where the safety of the public is threatened, a tool to correct or clear up difficult situations which would otherwise be damaging to the public and to a whole industry.

Let us see what the minister had to say later in that speech. What we heard on that occasion, I suppose, was a statement of government policy and an attempt to equate that policy with the protection of the public as being the common denominator of the various bills before Parliament, including the one now under discussion. Other bills were before the finance committee at that time. The minister said:

> The proposed Investment Companies Act now before Parliament is intended to complete the general pattern of supervision of financial institutions. It would establish a system of reporting and inspection applicable to those companies (not otherwise supervised) which borrow funds from the public and use these funds, to an important degree, for investment in other enterprises. A wide variety exists in this area, although the principal definable group are the sales finance companies.

[Mr. Lambert (Edmonton West).]

• (4:20 p.m.)

The bill before us is a complicated one. It defines what is an investment company and, for that matter, what is not an investment company. There are also provisions for applying the legislation. The minister made it quite clear that the bill deals with federally-incorporated investment companies and none other. Certain companies that will be incorporated after the coming into force of the act, primarily for the purpose of carrying on the business of investment, are exempted from the terms of the act.

On going through the bill we see that certain statements have to be made to the Superintendent of Insurance by companies. There are certain requirements as to auditors. The auditors may also be required to make special statements, not to the shareholders of a company but directly to the minister or to the superintendent.

Provision is made for the appointment of examiners who may enter the premises of any company at what is described as a reasonable time, in order to examine the books. Strangely enough, in this regard the government is not giving these examiners the power to seize the company's books, as they have in the case of examiners and inspectors who are appointed by other legislation that came before the House this session and last session. In fact, the bill provides that examiners shall have a certificate of identity, something that examiners appointed under the atuomobile safety regulations are not required to possess.

As the minister has indicated, certain types of loans are prohibited. I think the basic intent of this provision is good. However, I should have thought the government would have been further ahead if it had listened to the advice given it when the Bank Act was being revised in 1966 and 1967 and if it had followed the recommendations of the Porter Commission on Banking, that such companies be placed under federal jurisdiction. We know that a great number of companies are carrying on business under provincial charter, and these are the companies that have been causing difficulty.

If one of the activities of such companies is the carrying on of some form of banking—and some of these concerns do actually receive deposits from investors—why should they not be brought within the provisions of a general Bank Act, instead of being subject to provisions that relate to chartered banks? If that were the case, there would be appropriate supervision of these companies.

I have no respect at all for the opinion that since certain companies are incorporated by provincial legislatures, the provincial government in question for ever and ever has jurisdiction over them. What is important, I think, is the function of such companies. If these companies carry on activities which normally fall under federal jurisdiction, then similarly they should be supervised by federal authorities. However, the absence of such provision remains because this bill is intended to govern federally-incorporated sales finance companies only or, shall I say, investment companies.

The bill also makes a curious change in clauses 10 to 17, where we find provisions relating to the control of the sale of shares in sales finance companies. Last fall the Minister of Finance made a statement which had the effect of prohibiting acquisition by non-Canadian residents of controlling interests in Canadian sales finance companies. I think that step was to be welcomed. There is no question that Canadian sales finance companies should be under the control of Canadian residents or citizens, just as should our banks, insurance companies and loan and trust companies. I have no quarrel with that proposition. However, I do quarrel with clause 15 of the bill, which provides as follows:

> No sale or disposal of the whole or any part of the undertaking of a sales finance company is of any effect unless and until it has been approved by the minister.

At one time it was thought that there was nothing to prevent the management of a sales finance company selling the undertaking or the assets of the undertaking to a foreign concern. That would be the same thing as selling the shares of the company, because you are selling the business of the company. For example, supposing a sales finance company wants to sell certain assets that are no longer profitable within its portfolio to a competitor. In order to do so it must first get the approval of the minister. However, no provision is made as to the period within which the minister should make his decision. The minister can delay for as long as he wants, to the prejudice of all concerned.

In addition, no provision is made for appealing the minister's decision. In this case the decision of the minister is absolute, whether it be given capriciously or otherwise. I think provision should be made for giving relief to the parties in this regard. No reference is made to the minister withholding his approval because, for example, he considers that the price being paid is too low. He can withhold approval for all sorts of reasons. The parties to the transaction have no means of getting recourse if everyone but the minister is satisfied.

• (4:30 p.m.)

The Canada Deposit Insurance Corporation is brought into the picture, with regard to sales finance companies, as a lender-of-last-resort. We all know the history leading to the establishment of the Canada Deposit Insurance Corporation. It has a curious history because it arose as the result of legislation outside the Bank Act and the government of the day did have the moral rectitude or fortitude to recognize that it had sole jurisdiction over money and banking and no provincial government had the right of intervention in respect of deposit insurance.

In any event, we have the curious creation of the Canada Deposit Insurance Corporation being conditional upon provincial consent in so far as concerns trust companies and other deposit receiving institutions which participate under the Canada Deposit Insurance Corporation. This is not the purpose of the Canada Deposit Insurance Corporation, being merely a lender-of-last-resort under the provisions of the legislation covering sales finance companies. In this role, what is it entitled to do? Under the provisions regarding a lender-of-last-resort to a sales finance company, such a company would be entitled under certain conditions to obtain a loan from the Canada Deposit Insurance Corporation to enable it to obtain the liquid funds needed to discharge its maturing debt obligation; in other words, the deposit certificates it may have. There is nothing in the bill about shares. It refers to maturing debt obligations. That does not mean the company would necessarily remain solvent. In other words, there would still be a lot of people who could lose a great deal of money, although there are limitations on loans.

The attention of hon. members should be drawn to these particular sections. The measure says there shall be a certificate of registration for such companies. These are issued for a limited term. These certificates may be refused, but I suggest a good deal of explanation must be given as to the working of these certificates and the powers of the minister in regard to registration.

I shall now make some remarks in respect of the general penalty clause. There is no relief here whatsoever. An absolute penalty is provided under clause 37 of the bill whereby

every investment company which fails to apply for a certificate of registry within a period of time is guilty of an offence and may be fined up to $10,000. I agree that a person who makes a false statement from the director's office, a servant or an auditor of an investment company, should be penalized financially or otherwise. There is a general provision that every person who causes or permits to be done any matter, act or thing contrary to any provision of the act, the regulations or any order or requirement of the minister or the superintendent, shall be guilty of an offence. But there is no relief; there is no provision for cases of inadvertence, an act of omission or commission which is committed innocently. In any event, a person who is guilty of such an offence is liable, upon summary conviction, to a fine not exceeding $5,000.

Such a provision should carry some relief in that a mistake or act committed innocently, contrary to the provisions or regulations, should not be the subject of this type of penalty, particularly when we consider the powers of the minister to make regulations under clause 32. We do not have here the usual type of clause which is provided in government omnibus bills of this kind. Usually the Governor in Council has the authority to make regulations to ensure the proper carrying out of the provisions of an act. We should like an explanation of this change in wording.

There is in clause 27 a very curious provision in respect of detailed reports. The superintendent, after the termination of the fiscal year, shall make a report to the minister in such form as the minister may direct on the administration of this act during that fiscal year. In other words, the Canada Deposit Insurance Corporation shall submit to the superintendent a report, in the form prescribed by the minister, of its operations during the year. A report by that corporation pursuant to the act shall be a sufficient report of the activities of the corporation under the act. The clause states that these activities shall not be reported on by the corporation in its report.

I now refer to the Canada Deposit Insurance Corporation Act. It has reference to the activities of the Canada Deposit Insurance Corporation and provides that the report be made to the Superintendent of Insurance. That is where it stops. There is no provision for the publication of an annual report to Parliament. It is very curious that this should be the case, because the provisions of the act allow the corporation to lend up to $200 million of public funds for the purpose of tiding over one or more sales finance companies. The use of $200 million is not just an everyday occurrence, yet Parliament is not to know about it. No report is to be made to Parliament under the Canada Deposit Insurance Corporation Act; it merely requires a report to the Superintendent of Insurance.

• (4:40 p.m.)

I would put it to you, Mr. Speaker, that the Superintendent of Insurance does not, then, report to the minister with regard to this provision. If I should be wrong and there will be an ultimate report, I am quite prepared to accept the correction. However, according to the way I read the legislation there is no such provision.

In resumé, let us look at this bill. The Senate made vital changes to the bill. There were certain additions. One was the reduction of the application of the bill by providing an exemption clause in respect of companies which met certain criteria. There was restriction of the government power to enact further legislation by Order in Council. As I said, Bill S-17 as rewritten was passed by the Senate and we now have a new bill. There have been minor grammatical and phrasing changes because the Department of Justice prefers certain grammar and phraseology. There are minor administrative changes. There is the inclusion of one administrative subclause that was not in the Senate bill. I refer to clause 27(3) which is inserted due to the non-Senate, sales finance companies provisions which have been tacked onto the Senate bill.

Somehow or other it seems we had the investment companies coming forward as part of the package of trust companies, loan companies and insurance companies, and suddenly last fall they thought about the sales finance companies. We have the question of trying to withhold changes in ownership. I should point to other things. First of all, there is the system of payment by investment companies for policing whereby each company would be assessed according to its mean assets. There will be difficulty in defining that provision. There will be a difficulty in defining a subsidiary, a firm whose shares are 75 per cent owned by another company. I am satisfied that a subsidiary can be controlled by much less ownership than that. We will see in the committee what the reason is for this 75 per cent.

There is a requirement in the bill that the Minister of Finance approve an investment company's supplementary letters patent. I suggest, Mr. Speaker, that this would provide just one more hurdle to overcome when solicitors and auditors are trying to satisfy a client's need for fast action from the government in Ottawa.

Clause 4 of the bill is the one to which reference is made in general terms. It would seem to me this is subject to the charge of patronage, because when one reads the clause one finds the following:

> Letters patent shall not be issued under any act of the Parliament of Canada to incorporate a company primarily for the purpose of carrying on the business of investment without the consent of the minister; and no supplementary letters patent shall be issued, in respect of a company that holds a certificate of registry that has not lapsed or been withdrawn, without the consent of the minister.

It would seem to me this introduction of ministerial discretion in respect of this and other types of companies lends itself to the possibility—I am not pointing the finger at any present or past minister—that with regard to sales finance companies the issuance of or amendment to letters patent could be achieved by the right kind of friends making application to the government. After all, one does not have to be born yesterday to acknowledge that this can be done. It seems to me the withholding of consent by the minister could be dangerous.

There are many other provisions in respect of which there will be comment. I am not satisfied that it is simply an administrative bill that the government would like to bring forward. I am not satisfied that there is not included in it an attempt by the ministry to get further and further control over one type of business in this country, as there is in respect of other types. We know changes are going forward to the Corporations Act which would give the Minister of Consumer and Corporate Affairs very extensive powers to examine companies on his own initiative without there being any indication of anything wrong; that is, he could do it merely on the basis that he feels it is in the public interest.

This form of big brotherism has crept in. It is all part and parcel of a course of conduct by this administration in respect of Canadian business. In any event, we intend to examine this bill very carefully in committee. I have, and I am sure my colleagues will have, amendments to propose in respect of certain clauses.

I think that on the whole we must pass the motion for second reading and referral to the committee with reservations. We are not impressed by the legislation but we are prepared to let it go to the committee and to see what happens when it gets there and when it returns to the House.

Mr. Max Saltsman (Waterloo): Mr. Speaker, in looking at the bill before us we get the feeling we have seen it before. It is very similar in many ways to other financial bills which have come before the House in respect of investment companies, trust companies, loan companies, mortgage companies, finance companies, and to some extent the Corporations Act. As these bills are introduced, a number of questions are raised in my mind concerning whether all that is being done is a little housekeeping. The government seems to be trying to protect the investors of these companies. This in itself is a very good thing and should be commended.

I believe we should be going beyond this point in light of the important influence these companies have on our society. We should be asking questions about financial bills beyond the extent to which they protect investors. One difficulty which faces anyone who examines a specific bill is the overlapping which is apparent. For instance, we now have in the trust companies bill indications of overlapping into banking, consumer credit and other business areas. Insurance companies will be investing. Virtually all the finance bills we have looked at include the power to invest; they have blanket clauses in respect of that power. It is difficult to draw the distinction between an insurance company and a company in the investment business. I know that in the other place that difficulty was overcome by changing it from 25 per cent of their activity to 40 per cent. It seems that this has made the situation worse rather than better.

• (4:50 p.m.)

Even corporations that are not considered to be financial institutions carry out a fair amount of investing with their surplus funds. As we examine the economic prospect in the next few years and consider the need to use our investment funds to the best purpose, we must agree that one cannot have financial bills just for the protection of investors, worthwhile as that may be. Financial bills must also reflect the public interest and ensure that the investment funds of this country are used in the best interests of all Canadians. This has not been done in the past.

If we agreed with this principle and did so in the future, we would move ahead much more quickly. We would have more say about inflation and about the nature and extent of growth and productivity. I think the time has come when these overlapping distinctions between financial institutions and corporations should be put together in one corporations act so we could recognize that to some extent they perform similar kinds of functions. To the extent that they are different, special clauses could exist within the framework of an over-all corporations act which would take into account the specific functions of institutions which may be somewhat more specialized than others.

In some ways the different approach to financial institutions under a corporations act might bring beneficial results, particularly with regards to foreign ownership. I find it very difficult to understand the logic of the government and of the other place that financial institutions should be protected from foreign takeovers, but the industry of Canada, the basis of our wealth and prosperity, requires no such protection.

It seems to me that a finance company exercises less influence on the destiny of this country than does investment in automobiles, mining, or pulp and paper, to give a few examples. Therefore, we should be looking at a corporations act that picks up some of the good features of these financial bills and encompasses a total philosophy that we can develop toward the nature and operation of corporations of all kinds in this country. I know that generally this is not done and probably there is not much precedent in other countries for so doing.

When the minister spoke it was quite obvious that some of the bills that come before us—and this one in particular—were to some extent modelled on legislation south of the border. It is time we did something that made more sense for Canada than copying what other countries are doing. We should be developing a philosophy within the framework of an over-all corporations act.

There is another problem that arises in the examination of finance bills, and perhaps it arises in the examination of almost any piece of legislation before the House. I refer to conflict of interest. It has been sensibly pointed out on a number of occasions that everyone has a conflict of interest. Certainly everyone in this House, and perhaps every citizen in Canada, has a conflict of interest. If you are going to insist that people who examine this legislation be absolutely free of conflict of interest, you will never find anyone who can do this kind of work. But it should not end there. While recognizing the difficulties involved in this conflict of interest, and that it is almost impossible to say that anyone who has the slightest conflict should not be involved in drafting this legislation, we can ensure that everyone states their position when they examine the legislation.

If this were done, much of the suspicion that surrounds financial bills and some provisions of the legislation passed in the House would disappear. In my opinion it is not necessary to exclude people per se, because they are involved with financial institutions, from examining them. It may be their experience would be of some help. What is important is that the public know what is their involvement in financial institutions, so they can be judged according to the suggestions they make and the kind of votes they pass on such legislation.

There is not much time this afternoon to do more than make these few brief remarks and to point out that there will be adequate opportunity for us to examine this legislation in the committee. But I urge hon. members, through you, Mr. Speaker, to consider the two main plants that I have tried to make: first, that institutions tend to blend into each other so that it is becoming very difficult to differentiate one from the other. Therefore, we need an all-encompassing corporations act that will take this fact into consideration. Second, in order that absolute confidence be maintained in the decisions taken in the House and in the other place, members of both Houses should be required to state their interest in any legislation.

Mr. Baldwin: Mr. Speaker, I rise on a point of order. We have now had some time to consider this bill. Unanimous consent, which was essential so that the matter could be placed before the House today, was not withheld. This is a very important bill, and as the hon. member for Edmonton West (Mr. Lambert) said, some of us have grave reservations about certain aspects of it and would like to re-examine the bill in light of what the minister has said. In view of the fact that this progress has been made, I believe there is a disposition that Your Honour call it six o'clock, rather than the time which now appears on the clock, so that the bill could again be brought forward at such time as the government sees fit.

I say quite frankly that there is no chance that it can be completed today. In any event, the minister would want to respond to the very reasonable statements which have been made by the hon. member for Edmonton West and the hon. member for Waterloo (Mr. Saltsman). I therefore hope that the House in its infinite wisdom will recommend to Your Honour that you now call it six o'clock.

Mr. Deputy Speaker: Is this agreed?

Some hon. Members: Agreed.

At 5 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Thursday, February 12, 1970

The House met at 2 p.m.

[*Translation*]

ROUTINE PROCEEDINGS

COMMITTEES OF THE HOUSE

BROADCASTING, FILMS AND ASSISTANCE TO THE ARTS

Second report of Standing Committee on Broadcasting, Films and Assistance to the Arts, in both official languages—Mr. Leblanc (for Mr. Reid).

[*English*]

PUBLIC ACCOUNTS

First report of Standing Committee on Public Accounts—Mr. Hales.

[*Editor's Note: For text of above reports, see today's Votes and Proceedings.*]

COMMUNICATIONS

STATEMENT ON RADIO RELAY LICENCES

Hon. Eric W. Kierans (Minister of Communications): Mr. Speaker, I would like to inform hon. members of the following decision regarding radio relay licences.

The government of Canada, using the power vested in the Minister of Communications to grant licences to operators of radio-relay systems, is implementing an interim policy regarding the establishment of new communications services using microwave relays. This policy will apply pending possible changes to be recommended by the Telecommission.

In recent years licences for such systems have been granted mainly on technical grounds. However, the growing social and economic importance of this form of telecommunications requires that more attention be placed on other criteria if we are to assure an orderly growth of the Canadian communications system which will assure maximum social benefits and minimum of wasteful duplication of investment.

The use of a systems approach in the granting of licences for microwave relays implies that applicants will have to demonstrate:

That there is some public interest and need to be served by the creation of the new facility;

That existing communications facilities cannot properly satisfy this interest and need;

That the applicant will conform to the standards of service and the technical requirements of the existing network so that the most effective and economical use of the radio spectrum is assured.

• (2:10 p.m.)

This means that licences will not be granted until applicants have submitted a detailed economic-commercial brief that will permit the department to assess the system and make a decision based on these criteria. The applicant will also be required to submit an equally detailed engineering brief so that the department may determine if the proposed facility meets technical performance standards set out by the Department of Communications. Furthermore, the department will not consider itself bound by financial or commercial commitments made by the applicant before a licence has been granted.

The primary objective of these new procedures is to provide for the planning of the efficient and orderly growth of the Canadian telecommunications network in the social and economic interests of Canadians in all parts of Canada. It will allow the Minister of Communications, in the granting of new licences for microwave relays, to determine that the new facilities will provide significant advantages over existing facilities in terms of cost, convenience and quality of service.

The new microwave licensing approach should make it easier for the federal government to perform more effectively its function of co-ordinating national telecommunications policy with provincial requirements and programs of provincial development.

The principles outlined in this statement in no way prejudge the recommendations which may be made to the government as a result of the Telecommission. Consequently this policy

is to be regarded as one that is subject to review in the government's over-all study of Canadian communications needs.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I sincerely thank the minister for giving me a copy of this statement well in advance of the time of delivery. I appreciate this very much. However, this brings me to the end of the nice things I can say about the minister and the statement. I quite understand why the minister would want to take off the rather battered steel helmet he wears as Postmaster General and put on the more modern efficient hat of Minister of Communications. I think the House would appreciate a few more statements in the House by him as Postmaster General about the efficiency of the Post Office. This may be irrelevant so I shall not say more about it.

The fact is that when one looks at this statement, as is the case in respect of some other statements—I am not trying to drive ministers away from making essential statements—one wonders whether it was really necessary. I shall just read one sentence from part of the statement:

> However, the growing social and economic importance of this form of telecommunications requires that more attention be placed on other criteria if we are to assure an orderly growth of the Canadian communications system which will assure maximum social benefits and minimum of wasteful duplication of investment.

The minister stopped there but the statement I have goes on to say, "In a field where resources are both scarce and essential for the development of the full potential of all segments of Canadian society."

These are stirring words for the Canadian people. If the minister means that in his program he will take into account the public interest, that is all that needed to be said. We would have thought that all government departments would have done this and would continue to do it, although we have some doubts about some government departments at the present time. Consequently I cannot really bubble over with enthusiasm about this statement. There is one part which I do think is different and needs some further comment:

> That there is some public interest and need to be served by the creation of the new facility.

One wonders how this should be read in light of what has been said by the Chairman of the CRTC in connection with microwave facilities for cablevision. I know that a large percentage of Canadians in the large metropolitan areas of southern Canada are already polluted by the television and radio broadcasts coming into Canada from the United States, but it is the poor people of central and northern Canada who continue to be the objects of the forced infusion of Canadian culture by the authority who should be allowed to decide whether they should have Canadian culture particularly or whether or not they ultimately would like to have it with some variety. When there is a conflict of interest as to how well the public interest is served by the creation of the new facility between the Minister and the CRTC and their interpretation of the Broadcasting Act, one wonders with whom the decision will lie and what will be the result. This is a question which should be answered, particularly in light of what we heard this morning from Mr. Juneau, the chairman of CRTC.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, it was good of the minister to send us this morning the text of his statement. Fortunately he sent it by messenger rather than by mail because, judging by the way the mail is coming and going in my home town of Winnipeg, if he had sent it by mail it would not be here until next week.

I believe we all agree with the basic principles which the minister enunciated as the policy of the government. We can support the idea that not only the commercial and technical aspects of applications will be considered but also the whole question of the public interest. This we can endorse. We will, of course, be watching very carefully how the minister and the department interpret this principle in the actual granting of applications.

One thing which is of concern to us and which we think has not been resolved is that the making of decisions with regard to applications for facilities of this kind seems to be divided among the Department of Communications, the Department of Transport and the CRTC. We think this is not a good thing. We think the government should clear up the grey area and specify who has the responsibility because until that is done it will be very difficult to assess who has made the mistake, if one has been made.

[*Translation*]

POST OFFICE DEPARTMENT

MONTREAL—CONFLICT IN MAIL TRANSPORT—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION UNDER S.O. 43

Mr. Georges Valade (Sainte-Marie): Mr. Speaker, I solicit the indulgence of the House

to raise at this time an urgent question of national interest related to the dire situation of mail transportation in Montreal. Under Standing Order 43, I seek unanimous consent of the House to put forward, seconded by the hon. member for Lambton-Kent, the following motion:

That the matter of mail transportation employees in Montreal be immediately referred to the appropriate committee of the House, with instructions to review the cause of the conflict, ways and means of bringing it to an end, accusations brought by the minister against the union and vice versa and all other related questions.

Mr. Speaker, if the House will allow me to give some explanations—

Mr. Speaker: Order, please. Standing Orders do not allow the hon. member to give explanations. If he refers to them, he will see that he can comment on the urgency of the motion that he is bringing in.

It should never be forgotten that we have to differentiate between Standing Order 26 and Standing Order 43 and I have already taken the liberty to suggest that Standing Order 26 having been modified, we should not place ourselves in a situation where we disregard the decision taken by the House to change the procedure as regards urgent matters.

Under Standing Order 43, the hon. member is free to indicate to the House the urgency of the matter that he is moving for consideration under his motion.

Mr. Valade: I thank you, Mr. Speaker. I intended to explain to the House the urgency of the matter and then to state why it is urgent.

A disastrous situation prevails, affecting the whole economy of Canada, both economically and socially. In fact, as reported in *Hansard* on February 10, the minister stated, and I quote:

I may say that we are quite disturbed and I intend to go down to Montreal tonight. We are concerned about the violence and also the threats by the union to disclose various public activities that have been engaged in in recent years.

Those words spoken by the minister clearly indicate that the question is urgent and of national importance. The whole postal system is presently disrupted.

Welfare recipients no longer receive in due time, as they should, their allowances. The stability of businesses is threatened, since the collection of bills is slowed down. It is a problem which affects the whole Canadian economy and especially the metropolis.

The minister promised the House that he would take the necessary steps to settle that conflict. Up to now, conditions have worsened, and each time the minister intervenes in the conflict, the situation gets worse. The minister must tell us what measures he intends to take to settle that conflict. I am asking the House, if the minister is unable to reply to my question, to agree that the matter be referred to the committee concerned.

Mr. Speaker: The House has heard the motion put forward by the hon. member for Sainte-Marie.

Pursuant to Standing Order 43, the motion cannot be formally introduced to the House without unanimous consent. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimous consent. Therefore, the motion cannot be introduced.

[*English*]

CANADIAN CITIZENSHIP ACT

MEASURE TO PROVIDE FOR GRANTING OF CITIZENSHIP TO CERTAIN PERSONS

Mr. Hubert Badanai (Fort William) moved for leave to introduce Bill C-185, to amend the Canadian Citizenship Act.

Some hon. Members: Explain.

Mr. Badanai: Mr. Speaker, the purpose of this bill is to allow the granting of citizenship to persons to whom citizenship has been denied because of membership in organizations considered subversive, who have not been involved in subversive activities, have no criminal record against them, and can qualify for citizenship in every other respect.

Motion agreed to, bill read the first time and ordered to be printed.

Mr. Speaker: Oral questions.

ORAL QUESTION PERIOD

Mr. Alexander: On a point of order, Mr. Speaker, if my information is correct, last night the Prime Minister had a little supper with several mayors and reeves, and I thought he would make a statement this afternoon with respect to the many matters discussed—the constitution, urban renewal and a

tri-level conference. I would hope the Speaker would allow the House to revert to motions so the Prime Minister can make a statement.

Mr. Speaker: Order, please. The Chair is always prepared to allow the House to go back to motions, but the hon. member might raise this matter as a question in due course. It is not a point of order.

THE CANADIAN ECONOMY

INFLATION—SEEKING OF STAND-BY POWERS RESPECTING CONSUMER CREDIT

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I would like to ask the Minister of Consumer and Corporate Affairs whether it is the intention of the government to seek stand-by powers to regulate the terms of consumer credit, particularly down payments and length of time for payments?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, I think the practice is that if the government is going to introduce legislation, it is announced in due course when the legislation is introduced.

[*Later:*]

Mr. Stanfield: Mr. Speaker, I should like to ask the Minister of Consumer and Corporate Affairs whether it is his intention to give serious consideration to the recommendation of the Standing Committee on Finance, Trade and Economic Affairs with regard to the creation of stand-by powers to regulate the terms of consumer credit?

Mr. Basford: Mr. Speaker, naturally that committee's report is receiving and will receive very careful consideration but any statement on consumer credit or change in the government's financial policy should come from my colleague, the Minister of Finance.

INFLATION—CONSENSUS REACHED BY NATIONAL CONFERENCE ON PRICE STABILITY—ACTION BY GOVERNMENT

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, may I ask the Minister of Consumer and Corporate Affairs whether he is in a position today, which he apparently was not yesterday, to tell the House what the plans of the government are with regard to the consensus reached on Monday and Tuesday in the matter of restraints? Is the minister in a position to tell the House what course of action the government intends to follow with regard to that consensus?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Well, I thought, Mr. Speaker, that in my very full answer yesterday I made it clear that we intended discussing the statement by the National Conference on Price Stability with the provincial premiers on Monday.

Mr. G. W. Baldwin (Peace River): A supplementary question, Mr. Speaker. In the desirable objective of the government to set an example in the problem of inflation, does the government intend industry to follow its example of a 9 per cent increase in costs during the year?

Mr. Basford: If we had followed the example we received from members opposite the increase would have been very much greater than it has been.

INFLATION—ACTION TO SEEK CO-OPERATION OF UNIONS

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I have a supplementary question. In view of the widespread scepticism expressed yesterday by leaders of organized labour regarding the results obtained at the conference in Ottawa on Monday and Tuesday, would the minister take the first opportunity on motions to explain the full scope of these results and what role the government is going to ask organized labour to play in this national campaign to curtail inflation?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, I believe that opportunity will arise this afternoon and this evening when the House will be debating the motion to be considered today, and I intend to speak on that motion.

Mr. Stanfield: Oh, you are going to tell us then, are you?

Mr. Hees: Mr. Speaker, does the House have the assurance of the minister that he will answer that question specifically in the debate this afternoon? Yes or no?

Mr. Speaker: Order, please. The hon. member for Athabasca on a supplementary.

Mr. Hees: Get on your feet.

Mr. Stanfield: The minister of evasion.

Mr. Hees: He won't say one word about it.

Mr. Trudeau: Would you?

Mr. Hees: You stick around for the debate and I will tell you a few things this afternoon that will do you a lot of good.

Mr. Paul Yewchuk (Athabasca): Mr. Speaker, I would like to put a supplementary question to the Prime Minister—

Mr. Speaker: Order, please. The hon. member for Athabasca now has the floor.

Mr. Yewchuk: A supplementary question to the Prime Minister, Mr. Speaker. Will he be prepared to answer questions today or is he going to sit and pout throughout the question period as he did yesterday?

Some hon. Members: Oh, oh!

LABOUR CONDITIONS

MEASURES TO COPE WITH UNEMPLOYMENT AMONG YOUNG CANADIANS

Mr. J. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I have a question for the Prime Minister if I can get his attention. In view of the very significant increase in unemployment among young single Canadians between the ages of 14 and 19 and also young married people between the ages of 20 and 34, is the government considering special emergency measures for dealing with unemployment among the younger members of Canada's labour force?

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): Mr. Speaker, if I may answer that question, may I remind my hon. friend that the seasonally adjusted unemployment rate has dropped consistently since last October.

Mr. Hees: It has not.

Some hon. Members: Oh, oh!

Mr. Hees: It is up this month and will go up.

An hon. Member: The minister should be accurate.

Mr. Hees: He knows that perfectly well.

Mr. MacEachen: Mr. Speaker, I hope the hon. member will do a little research before he makes his speech this afternoon.

Mr. Hees: My research was done for me by the Dominion Bureau of Statistics. I saw a report this morning and I hope the minister will also look at it.

Mr. Speaker: Order, please. It is my understanding that a question was asked by the hon. member for Oshawa-Whitby. Perhaps the reply should be directed to that hon. member. I also understand that the minister had not quite finished replying to the question. I ought to remind hon. members that we have an opposition motion for consideration later today and it will to some extent, I gather, cover much of the ground now being investigated by questions which have been asked and answers given. Perhaps we should exercise some restraint now in this regard and hold our fire for later in the day.

Mr. Broadbent: On a point of order, Mr. Speaker, I thought the minister was about to conclude his answer.

Mr. MacEachen: Mr. Speaker, I was about to put the unemployment and employment situation in perspective by saying that the seasonally adjusted unemployment rate, which stands at 4.5 per cent, has experienced a monthly reduction since last October. I think that is important to remember. I think it also important to state that the unemployment rate in Quebec and the Atlantic provinces today is lower than it was a year ago and that the unemployment situation in various parts of the country has to be considered.

Mr. Hees: What about Ontario?

Mr. MacEachen: May I reply directly to the question of the hon. member for Oshawa-Whitby. We are constantly attempting to ensure the entry of young people into the Canadian labour force. Just a few days ago I made a statement about our program for students. We intend to continue it in the forthcoming year. However, there is no plan at the moment to introduce any emergency program along the lines suggested.

Mr. Broadbent: A supplementary question, Mr. Speaker. As usual, the minister's answer had nothing to do with the question asked. Since the minister said on January 15, in replying to a question of the hon. member for York South, that his department would consider changes in the rules for manpower retraining as they affect young people, is he now in a position to announce to the House what his decision is in this regard?

Mr. MacEachen: No, Mr. Speaker. That examination of the rules under the Canada Manpower training program is under consid-

eration both by the National Advisory Council on Manpower and Immigration and by the committee of deputy ministers. The change proposed is of great significance and we are not sure at the moment that we have all the facts in order to make a proper judgment.

Mr. H. Russell MacEwan (Central Nova): A supplementary question, Mr. Speaker. Does the minister consider that a 10 per cent unemployment rate in the Atlantic provinces constitutes an improvement over last year when the rate was 10.1 per cent?

An hon. Member: Try to adjust that one.

Mr. Speaker: The hon. member for Saskatoon-Biggar.

Mr. MacEachen: Mr. Speaker, there is—

Mr. Speaker: Order, please. The Chair has recognized the hon. member for Saskatoon-Biggar.

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, may I ask a supplementary question about this pattern of dropping unemployment. Since the unemployment rate in Saskatchewan has "dropped" to the highest level in ten years, will the minister tell us what programs will be undertaken in that province?

Mr. Speaker: Order, please. I must once again remind hon. members that it is obviously against the practice of the House and against the rules, citations, Standing Orders and other authorities to discuss during the question period as extensively as we are doing now a subject which will be considered later today. I remind hon. members that perhaps these questions might be asked tomorrow, but at present we have before us an order, of which hon. members have notice, which will permit some hon. members to submit their representations. I hope that we shall give those other hon. members who have other important matters to raise an opportunity to do so. Again, I understand the importance of the matter and do not want to cut off hon. members who have questions to ask about this situation. I ask the cooperation of all hon. members so that we may go to another subject as soon as possible.

EXPEDITING OF REGIONAL DEVELOPMENT POLICIES UNDER STUDY

Mr. James A. McGrath (St. John's East): Mr. Speaker, may I direct a related question to the Minister of Regional Economic Expansion. Notwithstanding what his colleague, the Minister of Manpower and Immigration, had to say about this matter and in view of the very alarming growth of unemployment in certain pockets in the regionally disadvantaged areas of the country—I am thinking here of the Atlantic provinces and of Quebec especially—is the minister prepared to expedite some of the regional development policies currently under study?

[*Translation*]

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, I shall reply to the hon. member that under the new program the loans granted to industry are about four times what they were last year, and the amount increased from $200 million to about $530 million. The same applies to the number of jobs created and I think this program of industrial incentives is meeting the objectives we had set. Next year there will probably be a much greater increase.

[*English*]

Mr. McGrath: A supplementary question, Mr. Speaker. Is the minister prepared to cope with the very serious pockets of unemployment in certain regions of the country, including his own province, Quebec, the Atlantic provinces and western Canada, in a special way?

Mr. Marchand (Langelier): Mr. Speaker, this is exactly what we are doing now.

Some hon. Members: Oh, oh!

An hon. Member: Heaven help us.

Mr. Trudeau: You people don't know what is going on.

[*Translation*]

TRADE

EFFECT OF ENTRY OF GREAT BRITAIN INTO COMMON MARKET ON CANADIAN AGRICULTURAL PRODUCTS

Mr. Bernard Dumont (Frontenac): Mr. Speaker, I have a question for the Prime Minister.

After the introduction of a white paper in the British House of Commons, would the Prime Minister tell us what the Canadian government intends to do with regard to farm product exports, which will likely stop, and what proposals it intends to make to Great Britain or the Common Market in order that such exports continue?

Mr. Speaker: I would suggest to the hon. member that his question is very general and that the information he seeks would be better suited to a statement on motions by the minister. Perhaps the hon. member might so rephrase his question.

Mr. Dumont: Ten o'clock, Mr. Speaker.

[*English*]

CANADIAN SOVEREIGNTY

NEGOTIATIONS WITH UNITED STATES RESPECTING NORTHWEST PASSAGE

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I have a question for the Secretary of State for External Affairs. Is the minister or any person in his department or in any other department at present negotiating or carrying on discussions with the United States of America about the degree of sovereignty Canada will be permitted to exercise over those Arctic waters immediately adjacent to the north coast of mainland Canada, usually known as the Northwest Passage?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, unlike the hon. gentleman, I do not think we require the permission of any country in the world to assert our sovereignty.

Mr. Baldwin: Why don't you do it, then?

Mr. Nesbitt: I shall excuse the minister's flippant remark, Mr. Speaker. Will the minister please answer my question? Are discussions or negotiations going on with the government of the United States over the question of sovereignty in this area?

Mr. Sharp: Mr. Speaker, we do not negotiate our sovereignty with anyone.

Some hon. Members: Hear, hear!

Mr. Nesbitt: A supplementary question, Mr. Speaker. I will put the question in such form that even the minister can understand it. Are discussions going on with the United States government concerning the Arctic waters immediately adjacent to the north coast of the Canadian mainland? In particular, are discussions going on about the passage of United States ships through those waters and the right to that passage?

Mr. Sharp: Mr. Speaker, I think the only part of the question that I can answer directly, because I do not understand the first part of the question, is the second part—

Mr. Nesbitt: Come off it!

Mr. Sharp: With regard to the second part, we are not having any discussions with the United States government regarding the passage of any vessel through our waters.

Mr. G. W. Baldwin (Peace River): A supplementary question, Mr. Speaker. Will the minister discuss with his colleague, the President of the Privy Council, bringing back to the House for discussion the motion in the name of the hon. member for Athabasca so that members on both sides of the House can express their views on the vacillating and wishy-washy attitude of the Prime Minister on this issue?

EXTERNAL AFFAIRS

PROPOSED RECOGNITION OF COMMUNIST CHINA

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, this seems to be the day of the Secretary of State for External Affairs. Today is a particularly important anniversary. It was a year ago today that the Canadian government decided to carry on negotiations, if I can use that expression, with Communist China regarding recognition. Will the minister say whether negotiations are going on? Have there been any meetings in recent days in Stockholm? Can the minister make a statement which will not approach in optimism that which he made nine months ago when he said that recognition was just around the corner?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, if I may answer the questions in order, yes, negotiations are going on. We have had recent meetings and we expect to have others very soon. Never at any time did I say anything except that I thought the negotiations would be long, difficult and, I hoped, successful.

Mr. Diefenbaker: Does the minister intend to continue these negotiations of servile futility—

Mr. Speaker: Order, please.

Mr. Eldon M. Woolliams (Calgary North): A supplementary question, Mr. Speaker. In view of the fact it is now suggested that Communist China has promised military aid to the Arab side in the conflict in the Middle East, I ask the Secretary of State for External Affairs whether that has changed Canada's attitude concerning its recognition of Communist China?

Inquiries of the Ministry

Mr. Sharp: No, Mr. Speaker. I am not sure about the attitude of the hon. member and his colleagues, but on this point the government is absolutely clear. If we can, we intend to move to recognition of the Peking regime, which in our opinion will greatly advance the cause of world peace.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Mr. Woolliams: A further supplementary question, Mr. Speaker. Does that place the Canadian government on the side of the Arab nations in the difficulty in the Middle East?

Mr. Sharp: The answer to that is no. In this particular dispute we remain dedicated only to the attainment of peace. I hope that is also the attitude of the hon. member.

FISHERIES

COMMERCIAL SALMON FISHING LICENCES—REQUEST FOR REFERENCE TO STANDING COMMITTEE

Mr. T. S. Barnett (Comox-Alberni): Mr. Speaker, I will let the Secretary of State for External Affairs rest for a moment and direct my question to the President of the Privy Council. I ask this question not only on my own behalf but on behalf of the hon. member for Nanaimo-Cowichan-The Islands who would have asked it yesterday if he had not been called out of the House. Will the minister agree to make immediate arrangements for a reference to the Standing Committee on Fisheries and Forestry of the question of commercial salmon fishing licences on the Pacific coast of Canada? I might say this is a matter of urgency, Mr. Speaker, and the Minister of Fisheries has indicated his willingness to have this done.

Mr. Speaker: The hon. member for Abitibi.

Mr. Barnett: Perhaps the President of the Privy Council did not hear my question.

Mr. Speaker: Perhaps the hon. member would repeat his question.

Mr. Barnett: I asked the President of the Privy Council if he would agree to an immediate reference of the question of commercial salmon fishing licences on the Pacific coast to the standing committee. I pointed out that the Minister of Fisheries has already indicated his willingness to agree to such action.

[Mr. Woolliams.]

Hon. Donald S. Macdonald (President of the Privy Council): I apologize to the hon. member for not having attended to his question the first time. Since we will be making an immediate reference to the committee of the estimates for the coming fiscal year, it seems that this would be the best opportunity to raise this question. At the moment the committee system is very heavily involved in legislation and estimates. I think we should do everything possible to make sure they can focus on those responsibilities rather than adding additional orders of reference.

Mr. Barnett: A further supplementary question. Because of the fact that referral of the estimates to committees involves a very wide scope, and in view of the fact that if this proposal is to be dealt with by the committee it must be done by April 1 in order to provide a specific opportunity for west coast fishermen to be heard if they so desire, will the Minister reconsider his position and discuss with the Minister of Fisheries a specific reference of this subject?

Mr. Speaker: Order, please. The hon. member has now made his representation.

SEALS—DECISION ON REQUEST FOR COMPROMISE IN DATES OF HUNT

Mr. John Lundrigan (Gander-Twillingate): I have a question for the Parliamentary Secretary to the Minister of Fisheries. Can the Parliamentary Secretary answer the question which was taken as notice on February 5 regarding the unlicensing of some people on the east coast of Newfoundland?

Mr. E. F. Whelan (Parliamentary Secretary to Minister of Fisheries and Forestry): Mr. Speaker, the hon. member asked if we would consider changing the dates for seal fishing which have been set from March 22 to April 29. These dates have been negotiated with Norwegian government officials and we have no intention of renegotiating. These dates have been set and they will stay that way.

Mr. Lundrigan: In view of the representations which have been made to the minister and members representing the east coast, is the government planning to announce a program shortly which will compensate these people for their loss of income as a result of the elimination of the present seal fishery?

Mr. Whelan: Mr. Speaker, we are perfectly aware of this. We have discussed the problem of the loss of income these people will suffer.

We have also discussed the possibility of changing these dates. Our scientists have advised us that because of conservation measures it would not be proper to change the dates. The programs we have initiated over the last year have been beneficial to the fishermen, more so than in any year in the past. We hope our programs will continue to benefit the fishermen this year, too.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please. The hon. member for Gander-Twillingate is rising on a question of privilege.

Mr. Lundrigan: I think the minister's Parliamentary Secretary has misled the House in not answering the question I raised and by giving the impression that the government does have a program. The government does not have a program, and false information has been given to the House regarding a program of the Department of Fisheries which hon. members have just applauded. This kind of misrepresentation is certainly not in keeping with the attitude of the minister—

Mr. Speaker: Order, please.

[*Translation*]

IMMIGRATION

PASSAGE THROUGH CANADA OF AMERICANS EN ROUTE TO CUBA

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I should like to put a question to the Minister of Manpower and Immigration.

Is he aware that 500 young Americans are passing through Canada on their way to Cuba? Can he tell us if the governments of Cuba and Canada have reached an agreement whereby the transfer of these American immigrants to Cuba has been authorized?

[*English*]

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): Mr. Speaker, there is no such agreement. These people have been treated in the normal way as persons seeking transit through Canada to the United States and vice versa.

POLLUTION

CHEDABUCTO BAY—SITUATION RESPECTING TANKER "ARROW"

Mr. J. P. Nowlan (Annapolis Valley): My question is to the Minister of Transport. I am glad to see him in the House today although, according to the roster system, he is not due to be here. In view of the fact, as reported this morning, that the stern of the Arrow has now sunk in Chedabucto Bay, can the minister make a statement as to what the government plans to do to try to abate and restrict the pollution of the water from the sunken stern?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I anticipated that there might be some questions on this important matter; hence my reason for being here.

Some hon. Members: Hear, hear!

Mr. Jamieson: It is a fact that as a result of the extremely severe weather experienced yesterday in the area of the wreck, the stern portion of the vessel slipped even farther off the ledge on which it was impaled. As a result, all of the vessel but the funnel is under water. This sinking did not result in any large additional expulsion of oil, but it does mean that a larger amount is seeping out of the vessel, apparently as a result of the extra rupture in the stern section.

If hon. members opposite are interested in the details of this matter, then they might at least give me the courtesy of remaining quiet while I try to answer the question.

Some hon. Members: Hear, hear!

Mr. Jamieson: The present position is that we are now trying to examine means through which we can burn the oil in the forward part of the ship, and do the same thing with the stern section in its present location since we cannot attempt to move it away from where it is on the bottom of the ocean.

Mr. Louis-Roland Comeau (South Western Nova): Mr. Speaker, I have a supplementary question for the Minister of Manpower and Immigration. Since the efforts of the Minister of Transport have been ineffective in dealing with this problem, and since the problem has arisen in the minister's own constituency, may I ask him whether he will impress upon his cabinet colleagues—

Mr. Speaker: Order, please. The hon. member knows that he cannot ask a question in those terms.

REQUEST FOR LISTING OF PHOSPHATE CONTENT OF DETERGENTS ON CONTAINERS

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, I have a question for the

Minister of Consumer and Corporate Affairs. Pending legislation to outlaw phosphate detergents, will the minister assist concerned consumers to prevent water pollution by requiring detergent manufacturers to list the phosphate content on all detergent containers sold to the public?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, I replied the other day that all efforts in this regard were co-ordinated by my colleague, the Minister of Energy, Mines and Resources. I think the question should properly be directed to him. There is at the moment no law at the federal level to make such labelling mandatory.

Mrs. MacInnis: Mr. Speaker, I must follow through with a supplementary. The reason I turned to the minister was that his colleague thought that women were too stupid to make use of such labelling and that they would go ahead and buy the high phosphate detergents anyway. Since the minister realizes that all women are not stupid in this matter, would he try them out—

Some hon. Members: Oh, oh!

Mrs. MacInnis: Mr. Speaker, with certain ministers I would be afraid of the risk to their home life, but I am not a bit afraid in this case. Will the minister in his wisdom please give women the opportunity to be informed of the phosphate content of detergents and to behave like the responsible citizens which most of them are?

Mr. Speaker: As a result of the hon. member's representations, I am sure there will be a dialogue between the two ministers concerned.

Mr. G. H. Aiken (Parry Sound-Muskoka): Mr. Speaker, I had intended to ask this question of the Minister of Energy, Mines and Resources but since he is not in the House today I should like to direct it to the Minister of Consumer and Corporate Affairs. Would the minister consult with the Minister of Energy, Mines and Resources on whether a statement can be made shortly with respect to whether or not the minister is going to take federal action to ban phosphates in detergents?

Mr. Basford: Mr. Speaker, after the previous question I think I had better consult first with my wife.

[Mrs. MacInnis.]

SHIPPING

DISABLED TANKER OFF SOUTH COAST OF NEWFOUNDLAND

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, I have a very urgent question related to the previous line of questioning to the Minister of Transport. Can the minister indicate whether he has received a report about another disabled tanker, this time off the south coast of Newfoundland? If so, can he give the House the assurance that the situation has been contained and that we will not suffer another tragedy of the kind we have just had?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, early this morning there was a report that a small tanker owned by the Irving interests had a fire in the engine room while in the vicinity of Placentia Bay on the south coast of Newfoundland. The last report we have is that the fire is out. The motor vessel *Petite Forte* has taken the tanker in tow and is proceeding to Argentia.

GRAIN

WHEAT—REDUCTION OF ACREAGE BY OTHER COUNTRIES—CANADIAN REDUCTION—PAYMENT TO FARMERS

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, I have a question for the genial member for Saskatoon-Humboldt in connection with the wheat situation, and in particular his visitation to Saskatchewan or western Canada yesterday. Will the minister say, first, whether any arrangements or agreements have been arrived at between other wheat growing exporters to reduce their respective cereal acreages this year? Second, will the minister say whether the government is now considering, in view of the interview he gave while in London, having some ten million acres taken out of cultivation over a period of two years, with the government paying some $20 an acre to farmers who are in the position of having to reduce their acreage?

Hon. Otto E. Lang (Minister without Portfolio): Mr. Speaker, the answer to the first question is no. In answer to the second question may I say that the question contained a reference to certain figures which bear no relationship to anything that I did say. I should like to assure the right hon. member and other members that the government is very seriously looking at the problems of land

adjustment, resource adjustment and acreage adjustment in the prairie region in the hope of producing advice that will be meaningful to individual farmers in time for seeding this year.

Mr. Diefenbaker: I thank the minister for his answer, but I now ask him whether the government intends, whatever may be the acreage determined upon, to make a payment to western farmers who go out of the production of wheat pursuant to a direction given them by the government of Canada?

Mr. Lang: Mr. Speaker, this is a question about our intentions. We will be able to reply as soon as our minds are made up.

Mr. Diefenbaker: A further supplementary question. Is the minister in agreement with the statement that the Prime Minister made the other day, that western farmers who ride on $20,000 tractors and own land worth $100,000 to $200,000 do not need help?

Mr. Speaker: Order, please. The hon. member for Saskatoon-Biggar.

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

Mr. Speaker: Order. The hon. member for Swift Current-Maple Creek on a question of privilege.

Mr. McIntosh: Mr. Speaker, I regret to raise this question of privilege, but on Tuesday when the Minister without Portfolio responsible for the Wheat Board was in the House I rose to be recognized on a number of occasions. The question period expired without Your Honour having recognized me. During that time you had asked the hon. member for Saskatoon-Biggar whether he wanted to ask a question. He did not, but he passed on the opportunity to another colleague. Your Honour still failed to recognize me later in the period. I have been rising today ever since the question period started and you still have not recognized me. I do not mind taking my turn, but I do think Your Honour should recognize us in turn.

Mr. Speaker: Order, please. If the hon. member looks around he will see that each day many members try to get recognition from the Chair. The Chair attempts to be as fair as possible, though perhaps I am not always successful in my attempts to satisfy all hon. members. The Chair will recognize the hon. member in just a moment, but I think I should first see the hon. member for Saskatoon-Biggar who rose on a supplementary question. I will call on the hon. member immediately afterwards.

Mr. McIntosh: Mr. Speaker, in case you misunderstood my remarks, may I say we are quite prepared to wait our turn, but we do not think we should have to wait until someone else asks three questions.

Mr. Speaker: That is a very good point.

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, I should like to ask the Minister without Portfolio in charge of the Wheat Board whether he can tell the House if the proposals he made when out west in regard to acreage reduction received favourable support from farm organizations in the western provinces?

Mr. Lang: Mr. Speaker, I was in western Canada yesterday meeting with a number of farm leaders to discuss a variety of ideas. The discussions were very good indeed, helpful to me and to my thinking in regard to our programs. This was the purpose of this kind of meeting and I think it served its purpose very well.

Mr. Gleave: I have a further supplementary. Could the minister give the House any information as to when we may hope that grain will be shipped out of the west coast ports?

Mr. Lang: Mr. Speaker, I think hon. members know that a vote is taking place there. I hope that upon its successful conclusion grain will again begin to move very quickly.

FINAL PAYMENTS ON DURUM WHEAT—DEFERRED WHEAT DELIVERIES

Mr. Jack McIntosh (Swift Current-Maple Creek): Mr. Speaker, in order to avoid a series of oral questions, I should like to ask the Minister without Portfolio responsible for the Canadian Wheat Board whether he intends to accede to the request made on February 4 that he make a statement on motions regarding the Durum wheat account in order to explain the lack of final payment on that type of wheat and to clarify and update information respecting deferred wheat deliveries for the 1968-69 crop year?

Hon. Otto E. Lang (Minister without Portfolio): Mr. Speaker, I should like to assure the hon. member that the hon. member for Assiniboia keeps this subject very close to my mind.

Inquiries of the Ministry

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Mr. McIntosh: Mr. Speaker, I should like to direct another question to the minister.

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please.

Mr. McIntosh: Let me put a direct question to the minister. Does the department or the government intend to make a final payment to the Durum wheat producers?

Some hon. Members: Order, order!

Mr. McIntosh: I might also add that the way the government leaked this information through the member for Assiniboia and a senator is not the way to inform the public. I ask the minister: Are you going to pay it or are you not going to pay it?

Mr. Lang: Mr. Speaker, I was not sure whether I had been left with a question or simply allegations. I should like to assure the hon. member that I have no way of knowing how something could leak which does not exist. That is something about which he is no doubt an expert. The whole question of payments is a very complex one involving final calculations before the pools can be closed, and that information on the final position is not available. Some information on the state of the law in this regard should be available to the hon. member as a result of the research staff that has so generously been made available to him.

Mr. McIntosh: I did not ask you about the pools, I asked you about the Durum wheat account. Is there a legal technicality involved in whether you can or cannot make this payment to the producers?

Mr. Speaker: Order, please. The hon. member should direct his question through the Chair, of course.

Mr. McIntosh: Mr. Speaker, I direct that question to the minister through the Chair.

Mr. Speaker: I recognize the hon. member for Assiniboia.

Some hon. Members: Hear, hear.

Mr. A. B. Douglas (Assiniboia): Mr. Speaker, before I ask my supplementary I might point out that—

Some hon. Members: Sit down! Order, order!

[Mr. Lang.]

Mr. Speaker: Order, please. We have not more than one minute before the end of the question period. The hon. member should ask his question quickly.

Mr. Douglas (Assiniboia): Mr. Speaker, I was about to advise that the minister—

Some hon. Members: Order, order!

Mr. Speaker: Order, please. The hon. member is now down to 30 seconds.

Mr. Douglas (Assiniboia): Would the minister in charge of the Wheat Board assure the House that wheat will be moved through the west coast ports even though the government might have to revise the plans it put into effect so efficiently four months ago?

An hon. Member: "Reviving", is the right word for the government.

Mr. Lang: Mr. Speaker, at the present time we are optimistic that all products may soon be moving again from the west coast. Obviously the movement of grain through that port, as through other ports, is a matter of very fundamental importance to us. That suggestion will have to be taken into consideration if the worst comes to the worst.

Mr. Speaker: Orders of the day.

Mr. Hees: I rise on a question of privilege, Mr. Speaker. I should like to correct an error. I have done some further research since I corrected the Minister of Manpower and Immigration and I find that his figures are right.

BUSINESS OF THE HOUSE

Mr. Baldwin: Mr. Speaker, I should like to ask the President of the Privy Council what business is proposed for the balance of this week and next week.

Mr. Macdonald (Rosedale): Mr. Speaker, the business for Friday will be government order 49, that is the amendment to the Oil and Gas Production and Conservation Act, to be followed by government order 67, an amendment to the Agricultural Products Co-operative Marketing Act. On Monday next, the first item to be called will be government order 66, to amend the Supreme Court Act, to be followed by government order 68, the Shipping Conferences Bill. On Tuesday, we intend to resume the debate on government order 29 with regard to the National Parks Act, to be followed by the resumed debate on

government order 61 with regard to the Investment Companies Act. We will then deal with government order 36, the Canada-Sweden tax convention. On Wednesday, the business will depend on the progress achieved to that point. On Thursday it has been suggested there might be an opposition day, the subject of which is to be discussed between house leaders.

Mr. McGrath: Mr. Speaker, I should like to ask the House Leader a question in respect of the order of the business. Will he tell the House when the government proposes to proceed with the report stage and third reading of Bill C-175, which has now completed the committee stage?

Mr. Macdonald (Rosedale): Mr. Speaker, the hon. member will recognize the fact that it would be difficult to proceed with it in the House before it is reported back from the committee.

[*Translation*]

Mr. Valade: Mr. Speaker, on a point of order related to the motion I introduced earlier in the House.

I want to take this opportunity, when the Minister of Communications and Postmaster General is here, to ask him about the revolving postal strike at Montreal, in view of the fact that the minister is likely to leave for a few days.

Could not the House agree to revert to motions so that the minister could make a statement on this matter?

Mr. Speaker: Order. The hon. member suggests that the minister should make a statement on motions. Unanimous consent of the House would, of course, be needed for us to revert to motions, to allow the minister to make that statement.

[*English*]

I have to ask the House whether there is unanimous agreement to revert to motions to allow the Minister of Communications to make a statement.

Some hon. Members: Agreed.

Some hon. Members: No.

[*Translation*]

Mr. Speaker: I regret to say—

Mr. Valade: Mr. Speaker, on a question of privilege.

Mr. Speaker: Order. The hon. member can go on to his question of privilege when I am through with my remarks on his point of order.

As there is not unanimous consent, unfortunately, the minister will not be allowed to make the statement suggested by the hon. member who is now rising on a question of privilege.

Mr. Valade: Mr. Speaker, on a question of privilege.

On an issue of public interest or of national urgency, I believe that hon. members expect the government to inform the public, through its representatives, as regards the solutions it proposes. The prevailing national urgency affects 3 or 4 million people in the metropolis, and the minister refuses to make a statement today on motions. Therefore, I would ask him to tell us if he intends to make a statement tomorrow, or later on, because he is often away from the House.

Hon. Eric W. Kierans (Postmaster General and Minister of Communications): Mr. Speaker, I hope to be in a position to make a statement Monday, but we have taken some measures so far and we are getting ready to take others—

Mr. Speaker: Order. I regret to interrupt the minister. He cannot of course make such a statement at this stage. I recognize with the hon. member that the matter he raised is important and urgent. As the House withheld unanimous consent, the statement cannot be made immediately.

[*English*]

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, may I give a brief intimation in respect of today's business. This is an opposition day and we have had some discussion on the opposition side of the House as to whether we should make any change in the rules regarding the time of speeches. The consensus was that we should not do so and that the provisions of Standing Order 58(13) should apply. However, in order that the largest possible number of members might be able to take part, we hope there will be an understanding that no one will ask for an extension of time.

• (3:10 p.m.)

Mr. Speaker: Is it so agreed?

Mr. Macdonald (Rosedale): Mr. Speaker, I did not hear the last part of the hon. member's comments. Would he repeat the point?

Business of the House

Mr. Knowles (Winnipeg North Centre): My suggestion is there be no change in the rule regarding the length of speeches today, but that there be an understanding no one would request an extension of time.

Mr. Macdonald (Rosedale): That would seem to be reasonable.

Mr. Baldwin: Yes, I think so, despite the fact that the Minister of Consumer and Corporate Affairs should need more than 20 minutes to deal with the question.

Mr. Douglas (Assiniboia): I rise on a question of privilege, Mr. Speaker. I should like to correct the impression that the hon. member attempted to leave a few minutes ago that I was leaking information for the government. Quite the opposite is true in this case. It was I who informed the minister of the danger in the situation with regard to Durum producers and the hon. member for Swift Current-Maple Creek based his question on information I provided to him.

Mr. McIntosh: Mr. Speaker, on the same question of privilege may I say that I think perhaps the hon. member for Assiniboia assumed too much. At least he does so far as I am concerned. Maybe the minister can speak for himself. I would never have mentioned anything about it if the minister had not suggested it was the hon. member for Assiniboia who was bringing him all this information. I said this information was leaked to the Durum producers and the people of western Canada by the minister through the Liberal senator from Assiniboia and the hon. member for Assiniboia. The minister would not answer the question. He has not yet answered whether the government intends to pay the Durum producers what is rightfully theirs.

I studied this problem long before the hon. member for Assiniboia—

Some hon. Members: Oh, oh!

Some hon. Members: Hear, hear!

Mr. Speaker: Order, please. The hon. member has given his comments. I do not think there really is a question of privilege. In view of the fact that the hon. member had referred to the hon. member for Swift Current-Maple Creek, I thought that member should be allowed to say a word. Since we have recognized there is some urgency involved in allowing hon. members to participate in the very important debate, and that hon. members' contributions be restricted to 20 minutes, I suggest we should commence the debate which is the order of business for today as soon as possible.

Mr. McIntosh: I just want to put the record straight—

Mr. Speaker: Order. I have ruled there is no question of privilege and I ask the Clerk to call the order of business for today.

Mr. McIntosh: Mr. Speaker, you allowed the hon. member to get his whole statement on the record—

Mr. Speaker: Order, please. Orders of the day.

GOVERNMENT ORDERS

BUSINESS OF SUPPLY

ALLOTTED DAY S.O. 58—FAILURE OF GOVERNMENT POLICIES TO PROVIDE EMPLOYMENT AND CONTROL INFLATION

Mr. Lewis (for Mr. Saltsman) moved:

That this House condemns the Government's policies which have deliberately created unemployment up to a crisis level, thus placing the country in danger of a recession, but which have failed to stop the rapid and continuing increase in the cost of living, and this House therefore calls for the immediate implementation of full employment measures, and a comitment to a comprehensive prices and incomes policy.

He said: Mr. Speaker, I regret that the hon. member for Waterloo (Mr. Saltsman) unfortunately has a cold which has affected his voice so that he is unable to move his motion. My colleagues and I thought it would be valuable for this House to discuss the question now before it between the time of the conference which ended the other day and the time of the conference of first ministers which is to take place on Monday.

We place in the forefront of our concern, as I suggest should every member of this House, the unemployment figures which were released only this morning. I am sorry the Minister of Manpower and Immigration (Mr. MacEachen) is not here because I want to say to him that in explaining those figures he made the kind of statistical statement, undoubtedly in complete innocence, which misleads the House and the people of Canada. The fact of the matter is that, despite the gracious acknowledgement from the hon. member for Prince Edward-Hastings (Mr. Hees), if you look at the unemployment statistics the seasonally adjusted figure for January is almost always the lowest in the year

because of statistical reasons which I do not intend to go into. The minister is taking some consolation from the fact that there was a dip in the seasonal figure based on an entirely false understanding of the figures. This is misleading, apart from the gravity of the present situation.

We say that the government's policies have been deliberately designed to increase unemployment, to slow down the economy. I say to the members of the government that this is the only policy in which they have really succeeded, because unemployment has gone up and the economy has slowed down. The Prime Minister (Mr. Trudeau) is neither a prophet nor the son of a prophet so far as I know, but he certainly prophesied correctly when the other day he emphasized that he expected unemployment to go to 6 per cent. He has it. He has 6.1 per cent for January and I suspect, by looking at the unemployment figures for other years, that the unemployment rate now as I am addressing this House may well be closer to 6½ per cent than to 6 per cent. But altogether more disturbing even than this figure itself, although it would be enough, is the fact that there is no indication the government is ready to call a halt to this continuing descent into recession.

The Prime Minister and his colleagues are so obsessed with the subject of inflation in a completely wrong context, and are so hidebound by traditional use of their doctrinaire orthodoxy, that they show little concern for the well-being of the Canadian people in the next year or two, particularly the working people who increasingly will be unemployed in this country. I say the unemployment figures are serious not only because the rate has gone up to 6 per cent nationally but because when you look at the figures you see results which are disturbing even more deeply than the over-all figure. One finds that the unemployment figures in the Atlantic provinces and in Quebec continue to be considerably higher than the national average. It is true that the unemployment figure in the Atlantic provinces has not gone up and is about the same as it was a year ago, but I submit it was high enough a year ago at 10 per cent and could hardly be expected to go any further without an even greater disaster for the people in that region. The same is true in respect of the province of Quebec, where the figure has remained about the same at about 8 per cent. I make the same comment in that regard.

What is important to note from the point of view of the welfare of Canada's economy and Canadians across the country is that, for the first time in some years, the unemployment figures are increasing across the country. For the first time in some years the actual Ontario figure is as high as 4.2 per cent. The figure for the prairie provinces is as high as 4.6 per cent and the figure for British Columbia is as high as 7.3 per cent.

• (3:20 p.m.)

What that means is that right across this country, no longer limited to any particular regions, the unemployment figures have reached a dangerous point which indicates a definite recession in the economy of this country. I ask members of the House and the people of Canada to note the following fact about these figures, perhaps one of the most disturbing of all, that is that unemployment has affected and is affecting the young people of Canada considerably more than the middle aged and older members of Canada's work force. The largest increase is to be found in the group of 14 to 19 year olds. Canadians just leaving school are unemployed. The country cannot take care of them, and all the bitterness, alienation and resentment that that produces in the breasts of young people who are faced with this kind of situation is horrible to contemplate, having in mind the future of this country.

The next largest group of unemployed is to be found in the group aged between 20 and 34, which again means that young people who may have just married and have young families are hit the hardest by the scourge of unemployment which the government has deliberately produced in its alleged fight against inflation. This rich, affluent country about which the Prime Minister, the Minister of Finance (Mr. Benson) and every other minister boasts, is unable to give work to the young people leaving our schools and to the young people who have entered adulthood and are beginning to build a family life in this country.

Finally, I ask hon. members and I ask the people of Canada to note that this deliberate government policy of increasing unemployment is the greatest boon to Levesque and the separatists in Quebec and threatens the unity of Canada from coast to coast.

Some hon. Members: Hear, hear.

Mr. Lewis: The disaffection in the prairies, the disaffection in the province of Quebec, the feeling of injustice in all the regions of this

country which are disadvantaged, are justified once again by the government's policy of deliberately increasing unemployment. I keep on repeating and will continue to do so, that this increased unemployment is not an accident, is not the result of the workings of the economy left alone, but is the result of deliberate government intentions and deliberate government policies. If the rest of Canada is unhappy about the state of unemployment now, I am sure that the Prime Minister and his colleagues the Minister of Finance and the Minister of Consumer and Corporate Affairs (Mr. Basford) are gleeful about the fact that their intention to increase unemployment has in fact succeeded.

In our view this is a ruthless, inhuman policy. Any government that deliberately increases unemployment in the country is a ruthless and inhuman government. When the prime minister of a country stands up or sits down in front of a camera, no matter where, and coldly says: "I can take 6 per cent unemployment", he indicates he is a leader whose heart is suspended way up in the air somewhere and who has no sympathy for the victims of unemployment. That kind of leader of a country can only be condemned by every right thinking person.

Such a policy is not only ruthless and inhuman, it is self-defeating. The first result of such a policy is the tremendous loss of thousands of millions of dollars in the production of goods and services. To have 6 per cent of the work force unemployed at any given time means the loss of one twelfth—since it is one month we are talking about at the moment—of many billion dollars of wealth which those people would otherwise be producing for Canada and for the world.

It is self-defeating also because large unemployment means an increase in welfare costs and welfare rolls. I heard from my colleagues from Newfoundland the other day that, for example, in some of the constituencies they represent, 11,000, 18,000 and even 20,000 people are on the welfare rolls out of a total constituency population of about 60,000. All over the country, wherever unemployment hits, the result is more people on welfare. Not only does that mean the destruction of the dignity and self-respect of the people who are forced to be on welfare, but it also means the loading on the cities, towns and provinces of vastly increased costs in the welfare field, costs which neither the municipalities nor the provinces can possibly afford. What we have is higher unemployment deliberately induced by government policy. We have resentment and disenchantment across the country as a result of this policy; we have the destruction of the dignity of thousands of Canadians who are put on the rolls, and we have the disappointment and bitterness of young people who cannot find jobs in their affluent country.

There has been no effect of that policy on the price level in this country. Prices have been steadily going up, and the rate of increase has hardly been affected by this ruthless and inhuman policy of the government. So that as a result of this policy unemployment has increased, with the effect which I have suggested, and there has been no effect at all—and I say this with emphasis—on the continuing and steady increase in prices for the housewife, for the pensioner and for all the people on fixed income in this country. I do not know of any policy that deserves condemnation more than this deliberate policy which results in increased unemployment and increased prices at the same time, walking side by side up the ladder of destruction of the wellbeing of the Canadian people. Why is that?

My colleagues and I suggest that the reason for the failure of this policy is that it fails to recognize the modern kind of economy in which we live, and the fact that prices in the basic industries no longer respond to the supply and demand of the market. We are suffering from managed and administered prices in the most important areas of the economy, and they no longer respond to the broad fiscal and monetary policy. Indeed, these large corporations fashion the market, fashion demand, and therefore the hope that if you reduce globally the total purchasing power in the hands of the people you will automatically have a drop in the price level has been proven wrong, because in analysis as well as in fact that is not the way in which the modern economy works.

That takes me to the conference which ended on Tuesday night. A certain euphoria has been created in this country by the announcement which emanated from that conference and its development has been aided by my good friends of the communications media in the press gallery and elsewhere. I hope that they are right. My colleagues and I will be delighted if in 1970 this conclusion of the conference will affect the lives of the Canadian people in some way. But I hope I do not sound merely negative when I say to the Minister of Finance and to the Minister of Consumer and Corporate

Affairs that I remain extremely sceptical of the alleged agreement which was reached.

• (3:30 p.m.)

I want to take a few minutes, Mr. Speaker, to deal in two or three places with that agreement. I must do so in order that we do not have any false illusions about what is likely to come. I read one of the so-called agreements, and it reads like this:

More specifically, where higher prices are needed to cover higher costs—

And listen to the following words:

—and market conditions make them feasible, business firms generally, if called upon to do so, would ensure that price increases were clearly less than the amount needed to cover the increases in costs at a normal volume of output and sales.

What does that mean, Mr. Speaker? What has business undertaken generally to do? It has said, "If I can make as much profit in 1970 as I did in 1969, if market conditions permit me, if the volume of my out-put and sales permit, if I do not suffer any reduction in my profits then by gad I am going to be generous enough not to increase my prices up to the level of the costs." What guarantee of lower prices is that? That is not a declaration of price stability; that is a declaration of profit maintenance, and nothing less than that.

Then, there is another statement, Mr. Speaker, a particularly generous and philanthropic offer from the banks, the trust companies and mortgage companies, one that only an ingrate like myself could find less than satisfactory. Just listen to the generosity of these people:

Specific commitments have already been given by the chartered banks for 1970 not to increase their existing schedule of service charges in Canada.

I hope, Mr. Speaker, that members of this House feel consoled by that fact. The banks in this country have increased their service charges to a point which is usurious, which is immoral, which has resulted in immense profits for the banks and now they say, "Boys, having gouged you sufficiently until now, you may sit there and I will not gouge you any more." That is supposed to help the people of Canada?

They have also undertaken not to increase interest rates charged on Canadian dollar loans in Canada—

Listen to this, Mr. Speaker.

—except to the extent of any corresponding percentage point increase in the rates payable on Canadian dollar personal savings deposits.

Despite the fact that the banks have had phenomenal profits, and despite the spread between the interest rates they pay depositors and the interest rates they gouge from the public when they make loans—that spread is large enough now—they are saying, "If we have to pay a quarter or a half percent more to the depositors, despite our great concern for Canada's economy, despite our bleeding hearts for the welfare of the Canadian people, despite the fact that it is our nature to be generous and philanthropic, if we have to pay that much more to our depositors you will have to pay a quarter or a half per cent more on the loans that we make to you." That is the kind of arrangement or agreement to which everybody in Canada is supposed to answer "Yes and amen", with the conviction that it will do something for the economy of Canada in 1970.

I shall quote from two other agreements, Mr. Speaker. One made by the general merchandise sector of the retail and wholesale trades reads:

The general merchandise sector of the retail and wholesale trades in determining pricing policies during 1970 would undertake not to increase initial markups on its various merchandise categories unless realized profit per dollar of sales would fall below that of the base period—

The base period being 1969 in most cases.

What kind of undertaking is that? It says in simple language, "If we can make the same profits in 1970 as in 1969 we will not increase the initial markups, but if our volume falls, or for some other reason our profits are affected, the markups will go up." I pause to interject that when you have 6.1 per cent unemployment across the country the likelihood is that in many areas of Canada the volume of sales will in fact fall, and the wholesale and retail outlets will not have as good a year as they had a year ago. The volume of their sales will probably fall off and, therefore, their prices will go up. And all this will be in accordance with the agreement which the minister hailed as valuable.

The same kind of thing applies to the grocery sector which undertook not to increase initial markups on the same qualification, namely, that there would be the same realized profit per dollar of sales. I am sceptical of the value of this document because as far as I can read it, and I think I can read, and as far as I heard the comments from some of those who attended the conference, I am confident there is no intention on the part of the business community to do anything for the price level unless their unnecessarily high

profit level is maintained in 1970 as it was in 1969, and that is no consolation to the people of Canada. That is not going to roll back the cost of living in this country. It is going to keep it as high as it is, and probably continue to push it up.

In this statement there is some reference to the fact that nothing effective can be done for the control of inflation unless there is a comparable measure of restraint "by wage and salary earners." All I can say in response to that is that from my knowledge of the labour leaders in this country they would be just as ready, if they were willing to mislead the people of Canada, to sign an agreement about wage and salary restraints which contained all the weaselling qualifications that the alleged agreement of big business contains, and it would not mean anything.

Sure, the labour leaders would come tomorrow, if they were willing to mislead Parliament and the people, and would sign an agreement saying, "We will refrain from seeking wage increases if our standard of living is increased by X per cent just as it was in 1969 over 1968." They would sign that, and they would then be misleading Parliament and the people of Canada in the same way as, innocently, Mr. Speaker—I do not accuse anybody of bad faith—as innocently as those who have signed the document to which I have referred and from which I have quoted.

Despite this document, the result is that the government's policy in 1970 will again fail, as it failed in 1968 and in 1969. Canada will continue to face growing unemployment, or at least a high level of unemployment—even if it does not increase, it is high enough now—and a growing cost of living, or at least a high cost of living. Again, even if the cost of living does not increase any more, it is high enough now. This is why we felt this motion should be discussed today, between the conference that ended and the conference that is to take place. It was for this reason that, on behalf of my colleagues and myself, I condemned the government policies in the strong words that I have used, and I admit they were strong words.

• (3:40 p.m.)

I wish to spend the few minutes left to me in indicating what in our view might have been—and I say "might" because no one can be positive about these things—a successful policy in the fight against inflation. We say voluntary restraint is ineffective and ineffectual, and that the kind of declaration which came out of the conference of business and professional people the other day is of little value, that all the ways in which the undertakings are hedged around mean they will not produce any effective or substantial or meaningful drop in the price spiral. The only way to deal with the situation in an economy such as ours is to impose a comprehensive prices and incomes policy with teeth, if necessary selective price controls and selective controls on all the other sources of income in this country—profits, interest, dividends, wages, salaries and the rest. Only when you have a comprehensive incomes policy, only when you have a genuine price control policy with teeth in it, has anyone in this House or anywhere else the right to ask the working people of this country, who are the majority after all, whether white collar or blue collar, to take less in wages than their bargaining power might obtain.

I would hope that if one had this kind of policy that the spokesmen for the organized work force in Canada and, so far as there is such a thing, the spokesmen for the unorganized part of the working force in Canada would agree to fit into such an over-all policy. They will always be morally obliged to ask that special consideration be given special groups because in fact too large a portion of the work force in Canada is at such a low level of income that it would be heartless to keep them there. There are regions in this country which have a much lower level of wages and salaries than other regions and it would be necessary to give special consideration to them.

Speaking for my own party and not for anyone else, within these human and socially desirable changes in the program, I would hope that the labour movement would agree to a wage and salary program. However, I am with them without qualification in rejecting such a program until such time as there is effective price control and a comprehensive incomes policy touching the rich as well as the working people in this country.

We have to do certain things immediately to recompense those groups hit hardest by inflation and a rise in the cost of living. We should have abolished long ago, and if the government had any social heart it would have done so, the idiotic 2 per cent ceiling on the cost of living adjustment for old age pension and supplementary benefits. The least that should be done for the old people in receipt of pensions and benefits is, to make sure that their dollar in 1970 buys the same

amount of goods as it bought several years ago. We ought to make the adjustment in the full cost of living increase and the same for welfare benefits and minimum wages.

I see by the clock that my time is up, Mr. Speaker. Some points that I have not dealt with will be taken up by other speakers from my party and other parties if they catch your eye. I want to conclude by saying to the government that neither I nor my colleagues particularly enjoy making strong declarations concerning unemployment and the rising cost of living and condemning the government for them. I would be a much happier member of Parliament if it were possible, conscientiously and honestly, to congratulate the government for having accomplished something for the people of Canada, but it is impossible to do so as the record of the government in this field has been abominable.

Some hon. Members: Hear, hear.

Mr. Lewis: It has been heartless and inhuman; it has resulted in a bad future for the country; it is unforgivable; it is out of date and we cannot but condemn it.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I had hoped to have the privilege of hearing whatever excuses the Minister of Finance (Mr. Benson) has to offer before speaking, but since he does not choose to take the floor I shall do so quite happily.

There can be no doubt but that it has been the policy of this government for some two years to create slack in the economy, and to deliberately create unemployment. I go back to the statement made by the former minister of finance, now the Secretary of State for External Affairs (Mr. Sharp), in the fall of 1967, in which he stated this: "I have taken the position consistently that as far as I am concerned and the party associated with me, I do not accept this as a civilized way of fighting inflation".

For some two years I have been advocating and suggesting to the government that it use a guidelines policy in order to reduce the necessity for fiscal and monetary austerity. Yesterday, if I heard him correctly, the Secretary of State for External Affairs asked me what my policy was. I have not had the slightest hesitation in the last two years in saying very clearly what the policy ought to be with regard to fighting inflation. The former minister of finance, the present Minister of Finance and the present Minister of Consumer and Corporate Affairs (Mr. Basford) have poured scorn on this approach and that is why I have been pressing the ministers in the last couple of days. I have been trying to find out what they really intend to do, what their policy is with regard to the consensus reached here on Monday and Tuesday last.

We have a statement made by the Prime Minister (Mr. Trudeau) that he is going to stick to austerity even if unemployment goes over 6 per cent. It has reached that figure, Mr. Speaker. I say again that it is not a question of what the Prime Minister or his ministers are prepared to stand for; it is a question of what the economy can stand.

Some hon. Members: Hear, hear.

Mr. Stanfield: I say without hesitation that we have to go back a long way to find the country in a worse position psychologically than it is today, partially at least as a result of the unfortunate fiscal, financial and economic policies pursued by this government. For these ministers to have set their faces stubbornly, and I say stupidly, against the kind of policy that for the last six months has been recommended by the Prices and Incomes Commission has been a gross dereliction of duty. They are allowing the Prices and Incomes Commission to go through the motions as if they were supporting a policy of guidelines at a time when it is very, very difficult to do this because of inflationary pressures which are so deeply built into the economy today.

I should like to ask the minister why this policy was not resorted to some time ago, rather than the policy of simply and deliberately creating unemployment. Mr. Speaker, we still do not know what the government's policy is with regard to these matters; we still have nothing but evasion from the responsible ministers and the Prime Minister as to their intentions; nothing but evasion and a refusal to state policy.

Now, Mr. Speaker, I do not know exactly what is meant in the motion by "a comprehensive program of incomes and prices policy". I do not know whether the sponsors of this motion envisaged a continuing system of price controls or something of this sort. To me, that is inconsistent with the type of economy we have in this country and anybody who looks at it must quickly come to the conclusion that if you are going to have a continued system of price controls then you

are driven to the next step, and that is a thoroughly planned economy. This is not the policy I support.

• (3:50 p.m.)

From my observation, no country in the world has succeeded in developing a satisfactory planned economy as that relates to the manufacturing and distribution of consumer goods. What we are talking about surely, and this is what the Prices and Incomes Commission was talking about, is a method of breaking the inflationary psychology which will give us a chance to come back to an even keel and allow our traditional policies to have a chance, which they have not had during the last few years, of maintaining our affairs on an even keel. I do not hesitate for a moment to support the efforts of the Prices and Incomes Commission. Admittedly, the consensus that has been reached is far from perfect, but I am delighted with the progress that has been made and must say that the reliance of successive ministers of finance on tough fiscal policies which have done a great deal of damage to various parts of the country is, in my view, completely unjustified.

Successive ministers of finance have not succeeded in controlling inflation by these methods. Despite the minister's evasiveness, I hope the government will follow through the limited consensus which has been reached with a consistent, sensible and humane policy that is consistent not only with price stability but with the concept of justice in the country, a concept which has been totally lacking on the part of the Minister of Finance, the Minister of Consumer and Corporate Affairs and other ministers on the government side. It has been totally lacking.

Let us see what has happened. We have heard much about the cutbacks the government is to introduce in public service employment, yet when I examine the figures published in the book I hold I see that between September 30, 1968 and September 30, 1969 the number of employees in the government service has increased; the number projected for one year hence is higher than the number now employed. What then is all this talk about that we have heard since last summer about cutbacks in the numbers of government employees?

Mr. Dinsdale: Propaganda.

Mr. Stanfield: When one examines the government's own figures it is evident there has been no cutback. The number of employees on strength as of September 30, 1968 was 236,000, and as at September 30, 1969 was 4,000 higher, at 240,000. The projected strength as at March 31, 1970 will climb to 248,000 employees.

If one looks at reports one will not see evidence of an expansion in government expenditures in slow growth areas of the country. For example, if you look at the public works' estimates, the public works have been used by humane and wise governments as a means of doing something useful and at the same time providing real relief, you will see that the estimates for this year are down for Newfoundland, Nova Scotia and New Brunswick. They do not even seem to exist for Prince Edward Island, although I know that they are included in the government's estimates. Public works estimates are also lower for Saskatchewan. At the same time you will see provision in the estimates for a new sort of overseas club to suit the ego, I suppose, of the Secretary of State for External Affairs. You will also find cutbacks in the defence expenditures, particularly across this country; at the same time the government intends to spend millions of dollars building a new defence headquarters. That just does not make any sense. What the government says just does not add up.

It seems to me that now it is almost impossible for the government to explain why it has stuck for the past two years to its policy of deliberately slowing down the economy, why it has been so low and unimaginative in seeking alternatives and why it stubbornly refused to accept approaches it now is gingerly allowing the Prices and Incomes Commission to venture into. I and others have made suggestions to the government about action in these areas for the past two years. I should like to hear the Minister of Finance explain why he pooh-poohed this type of approach and whether he now means to take action. Perhaps he does not mean to do anything about our present situation; perhaps the government is merely taking us through another charade.

We see high unemployment figures for slow growth areas of the country. I am concerned about those areas and about the people or workers in this country who are unorganized. To help these people we must use the tools available to us, and I say that a program of guidelines represents a tool that has been available to us for some two years. For a long time the government has refused to use it and we still don't know whether it is prepared to

use it. It is my hope that the people of this country, whether they are in business or in organized labour, will be sufficiently concerned about the lot of the poor, forgotten little Canadian who is not organized, does not work for big business and does not hold shares in any big business that, for a limited time at least, we may reach agreement as to guidelines that are clearly in the interest of the country and of Canadians who are not organized. We must protect such Canadians, and especially those who live in parts of the country where it is difficult to obtain adequate employment. I hope we can put aside charges that are hurled at big business and big labour and come to some consensus that is in everybody's interest.

Some hon. Members: Hear, hear.

Mr. Stanfield: I say the government has been grossly derelict in its duty in this regard. I hope it has taken up the challenge, although it has not said clearly that it will. I fervently hope if the government has the temerity and the strength to be prepared to stick its neck out to this extent, that it will obtain the support of business, labour and all people in the country. There is not much risk in doing this for a limited period of time. We must escape from the vicious inflationary spiral. In approaching this matter let us keep in mind the ordinary Canadians, and there are millions of them, who do not belong to large organizations. They will not be protected unless Parliament and the government protects them, and God knows, the government has not done so yet.

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, I cannot accept the allegations contained in the motion put forward by the hon. member for Waterloo (Mr. Saltsman). I offer him my sympathy for not being able to be here today because of a cold. In fact, I suspect that the verbosity of the motion reflects the difficulty my hon. friend had in trying to pick holes in our policy. Our policy is a rounded comprehensive program to curb inflation without creating recession. It involves strong fiscal and monetary measures. It also involves enlisting the support of all Canadians in restraining their demands upon the economy.

• (4:00 p.m.)

The government is charged with deliberately creating unemployment. I will show that while unemployment continues to be a problem, the New Democratic Party is away off the mark in the figures they have quoted. The government is charged with causing a recession. I will attempt to show that the economy is still strong and that our policies are flexible enough to ensure that this strength will continue. The government is asked to adopt full employment measures. The fact is, the thrust of our spending programs is directed at overcoming our real unemployment problems in our less developed regions in Canada. We are also asked to have a comprehensive prices and incomes policy. Our policy is comprehensive and we are making progress in arresting inflation.

I was pleased to see that what the NDP meant by a comprehensive prices and incomes policy was really price and wage controls. The hon. member said they would not work on a voluntary basis. We, as a government, do not agree with this. The Leader of the Opposition (Mr. Stanfield) said we should impose guidelines.

Mr. Stanfield: I didn't say impose.

Mr. Benson: He said we should set guidelines on prices and wages in the country. What good are guidelines unless one is going to enforce them? We have, through our policy, arrived at guidelines which are acceptable to the people who have to carry them out.

I am tempted to repeat the words of a famous U.S. economist, who, in replying to a questioner said, "Sir, I don't agree with the question." I am tempted to repeat these words because the government is being accused of deliberately creating unemployment up to a crisis level. The facts are that the rate of unemployment, after allowing for normal seasonal movements, has been declining for the past several months. From a seasonally adjusted rate of 5.1 per cent last October, the unemployment rate declined to 5.0 per cent in November, fell further to 4.8 per cent in December and, according to the Dominion Bureau of Statistics in a release issued this morning declined again to 4.5 per cent last month.

Lest one say in this period of the year unemployment always declines, I wish to put on record the seasonally adjusted unemployment rates over the past year. They are as follows: 1969, January 18, 4.4 per cent; February 15, 4.4 per cent; March 22, 4.3 per cent; April 19, 4.5 per cent; May 24, 4.8 per cent; June 21, 4.9 per cent; July 19, 4.7 per cent; August 23, 4.9 per cent; September 20, 5 per cent; October 18, 5.1 per cent; November 15, 5

per cent; December 13, 4.8 per cent and January 17, 4.5 per cent. It is a fact of life in Canada that in January unemployment is typically higher than in the summer months. I will go back a few years to show what the January figures have been since 1959. 1959, 9.5 per cent; 1960, 8.8 per cent; 1961, under a Tory government, 10.8 per cent; 1962, 8.5 per cent; 1963, 8.3 per cent; 1964, 6.9 per cent; 1965, 5.9 per cent; 1966, 5.1 per cent; 1967, 5.2 per cent; 1968, 6.1 per cent; 1969, 5.9 per cent and 1970, 6.1 per cent.

Mr. Lewis: Those are the unadjusted figures.

Mr. Benson: Those are the unadjusted figures, Mr. Speaker.

Mr. Lewis: I am amazed you use the unadjusted figures.

Mr. Hees: You don't have the other figures?

Mr. Benson: I am sure they were not as great as in January 1961.

Despite the fact that the motion before the House is based on wrong premises, I welcome the opportunity to speak on an issue which is greatly troubling Canadians, and about which the government is taking deliberate and positive action, the issue of inflation. At the beginning of next week the first ministers of the country will be meeting to discuss this issue, among others, and early next month I expect to bring down a budget which will give hon. members a further occasion to discuss fully the state of the Canadian economy. I would anticipate and hope for considerable debate on the problem of inflation. Today, I want to talk about what is causing inflation, what the government is doing about it, and what the issues are that confront us as responsible Canadians.

First, let me say that those who put the problem of inflation in the context of unemployment or inflation are putting the matter the wrong way. As Canadians we do not face the question of whether we want less unemployment and more inflation, as some have put the issue. Nor do we face the question of whether we want more unemployment and less inflation. We do not have either of these choices before us. Rather, the issue is how we are going to rid ourselves of the menace of inflation. We do not have a choice as to whether or not we are going to adapt to and live with inflation; the fact is, we cannot and will not live with the kind of inflation we have been experiencing these past few years.

If this country is to enjoy high levels of employment, steady economic growth and improvements in economic and social justice, then the first order of business is to rid ourselves of inflation. I need not recite figures to show that prices have been rising rapidly. Hon. members opposite will no doubt bring this forcibly to our attention in the course of this debate, and Canadians generally are too painfully aware of the high prices they have to pay for goods and services they buy, of the interest rates they have to pay for money they borrow, and of the shrinking value of savings they have accumulated during their lifetimes. If for no other reason than to protect those who are suffering because of inflation, and who cannot muster the strength or bargaining power to try to protect themselves, inflation must be beaten.

But there are other compelling reasons. Some people argue that inflation is inevitable, that it arises from outside of the country and that we should take our lumps by adjusting as best we can. Let me deal with this issue, since it has a number of aspects.

It is true that inflation is a world-wide phenomenon. As a matter of fact, if we look at the battle against inflation during 1969, we find that in our fight against inflation the cost of living rose less in Canada than in almost all other western countries, including the United States. However, this is little room for consolation. In our major trading partners, in particular in the United States, there exists today a high degree of inflation and we cannot escape that fact of life. But it is equally true that these same nations are taking determined steps to deal with the problem. As they succeed in beating inflation, as they surely will, we as Canadians will find international competition tough and indeed, unbearable, if we have not likewise succeeded. We need not be reminded that one dollar in every five that we earn comes directly from exports, and our earnings and jobs that flow directly and indirectly from exports come to more than that. In addition, of the value of everything we buy, one dollar in five represents goods and services produced abroad. If we are to compete in our own domestic markets, we need to defeat inflation.

• (4:10 p.m.)

But let us not take much comfort from the fact that others are doing no better in controlling inflation than we. If we are to protect our jobs and to improve our living standards, we need to be able to compete with others

both in foreign markets and in our own domestic markets. That is why those who believe that we can create more jobs for Canadians by adapting to inflation while others eradicate it are, I believe, living in a fool's paradise.

Secondly, we are advised by some to adjust to inflation by various devices to protect those who are unable to protect themselves. Admittedly, when injustices created by inflation become stark, it becomes necessary to find temporary palliatives. But I emphasize that the cure is only temporary. As a general proposition, attempts to adjust to inflation only worsen the disease and, ironically, the more successful one is in devising schemes, the more deep seated inflation becomes. Recent experience bears this out. The more people feel protected against inflation, the more they believe that inflation will continue. The more they act on the assumption that inflation will continue, the more inflation there actually is.

Worse still, some groups try to get ahead of the game by anticipating further inflation. They speed up their purchases; they demand income increases that more than offset past price rises; and as a consequence prices and costs rise even more. So-called adjustments for some become higher costs for others, and inflation becomes self-reinforcing.

Thirdly, attempts to adjust to inflation create difficulties in the capital markets. There is an extreme reluctance on the part of savers to commit their funds for long periods of time, except at very high rates of interest. It becomes more difficult for borrowers to sell long-term bonds, and governments in particular are forced to cut back on essential public investments and services, or raise taxes, or do both. Likewise, prospective homeowners needing mortgage funds are forced to pay record high interest rates, or cannot find the money at all. These then, Mr. Speaker, are some of the effects of trying to live with inflation: the unprotected get hurt, job opportunities are jeopardized and money is hard to come by for necessary social capital.

Let me turn for a moment to the causes of inflation before I outline the approach of the federal government to solving the problem. The root causes of inflation are to be found in attempts by Canadians to take more out of the economy than they were capable of putting into it. Demands of all kinds for goods and services, both public and private, were greater than our ability to satisfy them. The incomes generated by these demands of consumers, business, governments and foreign purchasers of our products were greater than the flow of goods from our economy and prices inevitably rose.

Mr. Lewis: I wonder whether the minister would permit a question. I observe the extensive notes he has, and I should like to ask him whether these statements are based on some research that members of Parliament will be able to see, or whether they are just assertions by the minister, to my knowledge completely out of date.

Mr. Benson: I do not believe that they are out of date, Mr. Speaker, and I will stand on what I say in the House of Commons.

Mr. Stanfield: Is the minister talking of the past or the present?

Mr. Benson: The past and the present.

Mr. Stanfield: If the minister will permit a question, is he taking the position that inflation today is due to excessive demand?

Mr. Benson: I am saying that we have moved into inflation through excessive demand.

Mr. Stanfield: That is why I asked the minister whether he was talking of the past or the present.

Mr. Benson: We have inflation now. Accordingly, Mr. Speaker, the higher incomes rose, the more prices increased. The whole exercise has, of course, proved frustrating, self-defeating and wasteful. The approach of the federal government has been to establish a program to restrain increases in demand to rates more in line with our underlying capacity to grow. At the same time, the government has been developing and enlarging programs to expand our capacity to produce, but this is essentially a long-term action.

In the immediate period, the main instruments available to the federal government are fiscal and monetary policy. During the past year these instruments have been employed in a way so as to restrain demands. In my budget of last June, I planned for a surplus as a means of fighting inflation. I have indicated that the surplus will be achieved; indeed, it will be somewhat larger than I anticipated. As a result, apart from Canada Savings Bonds the federal government has not been a net borrower this year. In fact, it has been a small net supplier of funds to the market.

At the same time, the Bank of Canada has been able to restrict the expansion of credit, and has been helped in this operation by the sharp reduction in borrowing requirements of the federal government. Provincial governments have been asked to co-operate in this fight against inflation. Where possible, the restraints of the federal authorities have been placed on those areas of the country where the inflationary pressures have been the greatest, so as to minimize the effect on the less fortunate parts of the country. In the coming year, the federal government is planning to continue its policy of restraint.

Yesterday my colleague, the President of the Treasury Board (Mr. Drury), tabled the estimates for the coming fiscal year. In these we have provided for items to which we and the other parties in this House attach high priority, such as support for underdeveloped regions of the country, support for Indians and Eskimos, manpower retraining programs and incentives to industry for technological developments. But in spite of these items and increases in costs of important shared programs which we do not directly control, we have reduced the rate of increase in government estimates.

I believe that the policy of restraint will work. By making it more difficult to act in an inflationary way and easily accede to cost or income increases, the rate of price increase will diminish. However, there may still be those who are counting on a continuation of inflation and who will continue to demand far more than the economy can produce. Against a background of general restraint on demand, to the extent these groups succeed the more the economy will generate inflation and the less it will generate real production and jobs. It is these groups who will be creating inflation and unemployment.

It was in order to minimize the effects on production and employment, and to speed the adjustment to stable economic growth without inflation, that the government established the Prices and Incomes Commission, so much derided by the Leader of the Opposition (Mr. Stanfield). My colleague the Minister of Consumer and Corporate Affairs (Mr. Basford) will say more about the commission in a few minutes.

The job of the commission is to convince those who exercise some power of decision that it is in their own self-interest to scale down their demands to levels that permit a quick return to non-inflationary growth. We were all gratified, except perhaps the deputy leader of the New Democratic party, at the results of this week's conference where some groups indicated a willingness to participate in a voluntary exercise to restrain prices as an initial step in an over-all program. As members are aware, the chairman of the Prices and Incomes Commission will be reporting his results to the meeting of first ministers next week, where the problem of inflation will be discussed by the federal government and the provinces.

I firmly believe that this approach of seeking the co-operation of important decision-making groups in the country to reinforce and support the general policies of restraint of the federal government—and hopefully of all the provinces—is the best solution.

Mr. Stanfield: Why wait until 1970?

Mr. Benson: Our restraint programs started much earlier than that. As I have explained to my hon. friend, in our opinion it would have been useless for the government simply to establish guidelines unilaterally without taking further steps to reinforce them. I remind the hon. member that he said he would not be in favour of price and wage controls.

Mr. Stanfield: That is right.

Mr. Benson: What the hon. member wants is for the government to hope that people will do this or do that. It is a better policy to have people exercise restraint at their own particular level. The alternatives of either an even more restrictive fiscal and monetary policy, or a massive program of price and wage controls, would be more painful and disruptive than what has been accomplished. They cannot be ruled out entirely if things took a serious turn for the worse, but surely the country will suffer less if it can capitalize on the willingness of our important groups to help with the job by observing reasonable restraint in their demands.

• (4:20 p.m.)

I would remind hon. members, particularly those in the party which moved this motion, that any system of price controls would necessarily involve wage controls, and wage controls would in a single stroke suspend the freedom to bargain collectively. This freedom, and the other practices of our market economy, should not be cast aside lightly. They have done a great deal to make this country grow. We are confident that as the year proceeds and a program of voluntary restraint

gets into place, we will make substantial progress in solving what we feel is our most important economic problem.

[*Translation*]

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, the Minister of Finance (Mr. Benson) has just talked about inflation, price controls and agreements between business men and government agencies to curb inflation.

We are considering a motion presented by the New Democratic party, which reads as follows:

—this House therefore calls for the immediate implementation of full employment measures, and a commitment to a comprehensive prices and incomes policy.

Mr. Speaker, the reason for the present high unemployment figure in Canada is precisely because we have a surplus of products.

The minister said earlier that we should increase productivity with a view to raising the standard of living. Another minister asserted the direct opposite, and the minister without portfolio responsible for the Canadian Wheat Board (Mr. Lang) said recently in a press release, and I quote:

The minister without portfolio repeated what he had said previously, that grain growers in the Prairies would do well to reduce substantially their output.

The same thing is asked of eastern milk producers. We have too much wheat, too much milk, too many clothes, too much lumber, too many foodstuffs, too many cars, too much furniture, too many TV sets, too much of everything!

And now the New Democratic party suggests a policy of full employment. But for what purpose? In order to produce more wheat, milk, TV sets, furniture, cars, food, while people lack adequate purchasing power to buy those products? That is the trouble, and yet, the Minister of Finance keeps mum on that matter. In his opinion, this bad situation is due to the fact that salaries are too high, to producers, to manufacturers, in short to everybody except the credit makers in Canada. We must not mention these people!

Smiling and with an air of triumph, the Chairman of the Incomes and Prices Commission, Mr. Young, accompanied by his Vice-Chairman, Mr. Paul Gérin-Lajoie, appeared on TV Tuesday, February 10, to announce that industrialists, businessmen, bankers and dealers attending the National Conference on Price Stability had agreed to unite in a common front against inflation and to accept restraints, with the blessings of the Minister of Finance, the Prime Minister (Mr. Trudeau), the Leader of the Opposition (Mr. Stanfield) and the Leader of the New Democratic party (Mr. Douglas).

This is a great day. Indeed, responsible men put chains on themselves lest the federal government find heavier ones for them.

After having increased interest rates and prices, it is agreed not to decide any further increase. This does not improve by one cent the buying power of the unemployed, of the welfare recipients, of our retired people and of the old. It is fine to agree not to increase prices but this will hurt the sale of goods. According to them, inflation is responsible for the increase in the cost of living. But, everybody agrees on that!

Prices are in excess of the families' buying power. Then what? Inflation must be stopped! Certainly and this is urgent. Moreover, the minister just said so. But if someone is sick or should have a limb cut off, the sickness should be cured and the sick limb should be cut off. If your toe has to be amputated, you will not have your arm cut off.

Prices must not be allowed to rise. Everybody agrees on that.

But are not prices set in line with costs? Logically, the stress should have been put on reducing production costs before lowering prices. But this has been ignored, and it is suggested that the fight should be against the consequences rather than against the causes of inflation, of price increases.

The Minister of Finance has just given the causes of inflation. I intend to give him others. Businessmen, men in politics, members of the Prices and Incomes Commission, are making fools of themselves by not tackling the causes of price rises. The opponents of Social Credit usually say that putting its theories in practice would lead to inflation.

The Liberals said it and they still repeat it occasionally. The Progressive Conservatives said it also and the economists have repeated it. Today Canada and the United States are faced with inflation, like almost all the nations of the western world. Who is responsible? Social Credit, which is not applied anywhere, or the present financial system?

The Créditistes know what inflation is, like the Liberals, the Progressive Conservatives and the socialists. I do not know whether they know it well but we do. Unlike the other political parties which are all in the service of

finance and do not want to get out of the system, the Créditistes know the solution to the problem of inflation.

It is said that inflation consists in a steady increase in prices or else in a too abundant supply of money in circulation when goods are scarce.

If a member or a minister, for instance, goes into a shop, a grocery store or a supermarket, he will not notice any scarcity of products. The shelves are chock full of goods of all kinds, newspapers carry pages and pages of advertising offering all that the Canadian consumer needs. What drives the consumers away from Morgan's, Simpsons-Sears' or Eaton's? It is not the shortage of products, but the lack of money.

Automobile manufacturers are forced at the present time to slow down their production in Detroit, Windsor and Ste. Therese. Why? Because of a shortage of iron, steel, bodies or specialized workers? No. Because there are not enough solvent buyers and consumers.

• (4:30 p.m.)

It is therefore clear that the inflation we are experiencing is not in accordance with the well known English definition of "Too much money chasing too few products". Why, then, are prices going up? For what reason would producers, dealers and retailers increase their prices if they cannot sell their products at current prices? If prices are increasing it is because production costs are rising.

Let us consider some items that go into production costs and into retail prices of finished products. We know that costs include the price of the raw material, capital costs of the plant and the cost of production itself.

Is it possible to cut down expenses? Is it possible to say to the farmer, the lumberjack, the miner, the fisherman that their income is too high and that prices will increase?

Will we tell the employees of the C.N.R. for example—which is granted every year funds to make up its deficit—that their wages push up transportation rates too much?

As for construction and maintenance costs of factories and equipment, are we going to say to construction workers, machinists and tool-makers that they must accept a cut in salary because the price of manufactured products is going up?

In the case of contractors and dealers, should profits be prohibited? If such is the case, it should be clearly stated and profit control should be established.

[Mr. Caouette.]

Are my colleagues of the opposition ready to suggest that school and municipal taxes or personal and corporate taxes be reduced? Are they willing to abolish the sales tax on building materials? Are they ready to tell the provinces: These are your taxation fields. We do not want them anymore, we do not want to impose anymore taxes. Come on, do something.

As for finished products, there are bank credits at almost each stage of production. For the purchase of raw materials processing, plant building, primary production, in a word, at every stage of manufacturing, banks grant credit. Credit is available to secondary businesses, wholesalers, retailers in short, to everybody. The whole production is financed by bank credit. Before a product is finished, a part of its cost was financed through bank loans. Are bankers willing to reduce the cost of making this credit? Are they ready to reduce the interest rates that are causing price increases, knowing that the interest adds up to the cost of all in-between production?

Much has been said about this problem during the meetings held in Ottawa, and the Minister of Finance has not mentioned it earlier. Yet, bankers attended the recent work sessions which lasted two days. Why has not the government asked them to reduce their interest rates?

Production of any kind needs credit. But if potatoes and wheat grow in fields, money does not grow either in fields, in plants, or in the taxpayers' pockets. And yet, money and credit are in circulation. Where do they come from?

Money appears when banks give credit to producers, manufacturers and to the government, and right from the beginning, money "claims its wages", and bankers, their interest. Then bankers compel industrialists, manufacturers, businessmen and retailers to squeeze the public by forcing them to set prices at a higher level than the amount of credit agreed upon. But with a little reflection it is realized that $1 million in credit has been given, an additional amount of $100,000 is claimed, which amount, in addition to being added to the price, creates a mathematical impossibility since how can more money than is distributed be received during a production cycle? We from the Ralliement créditiste are disturbed to find that people of good position, millionaires, captains of industries, bank chairmen and accountants are not aware of this mathematical impossibility.

The manufacturers, Mr. Speaker, are bound by the obligation to take out of the wallets of the consumers more money than they have distributed in the course of production.

Even if he were an angel, even if he abstained from food and gave up his profits, the manufacturer will always have to squeeze, through the prices, out of the public the money he has to return to the bankers and also the interest of that money.

If the Prices and Incomes Commission or the manufacturers who had a meeting do not know that, they would do better to go back to school and to study hard. If they did not find that in their political economy books, they would better throw them into the dustbin, because such books are incomplete or simply misleading.

Rising costs should be checked in order to allow consumers to meet their needs with the goods offered them in large quantities. But how? Through price controls set by some control boards? We have found that prices depend on costs. They are not decided by orders in council nor are they subject to a bureaucracy of inspectors.

Prices are set according to cost accounting and the government or the boards or the bureaucrats cannot distort it nor force the producer to ignore his own costs when marking his goods.

What must we do against rising costs? If the other political parties have solutions to suggest, let their members tell us about them. We shall analyze them and, should they prove effective, support them.

But as they have no solution to offer, let them accept the one proposed by the Créditistes, namely, the setting of the adjusted price, the compensated price, the fair price. What is the fair price of an item? It is exactly what it costs to produce it. The actual cost of production is the cost of materials used, of labor, of the wear and tear of equipment, of food consumption and wear and tear of clothing worn by technicians and workers who contributed in any degree to the desired production.

The use of materials and the consumption of food in connection with the manufacturing of a table, for instance, will constitute the actual cost of the latter. As regards production, financial cost should also be taken into account. This cost is never passed down to the consumer but is included in the price of the finished product.

The only thing that remains to do is to allow the consumer to buy the production at its actual cost by making a price adjustment. If such statistics were established in Canada, it would soon be seen that the total price charged for the country's production, over a certain period, exceeds the total amount of consumption during the same period.

It would be seen, for example, that when consumption reaches $50 billion, production offered to consumers, i.e. the total of prices to consumers, reaches $60 billion. In order for consumers to purchase the total production, they would have to purchase $60 billion worth of production for $50 billion.

The proper solution would therefore be a $10 billion discount which would permit consumers to purchase the $60 billion worth of products for $50 billion. Who would be the loser? Nobody. If someone sells a $60 item for $50, he should receive a 10 per cent discount.

Where would this discount come from? From the nation's credit, from the Bank of Canada, the financial institution which belongs to the Canadian people and that the government can use. That form of credit is based on production which, when made equal to the purchasing power, could be sold. That is unlike the endless refrains or patter that we have heard so far in this debate. The Minister of Finance claims indeed that productivity must be increased, whereas another minister suggests that production must be cut down to fight inflation.

There is only one way to solve the problem of the high cost of living and high prices: the compensated discount of Social Credit. Otherwise, you have nothing but flounderings, clashes, wrongdoings and big failures.

• (4:40 p.m.)

Mr. Speaker, a while ago the Minister of Finance (Mr. Benson) spoke of balance between inflation and recession. We must avoid recession and fight inflation.

Indeed, we are lost in a system where inflation does affect prices. However, recession also affects the Canadian taxpayers.

An editorial, broadcast over a Quebec television station last January 7, dealt with the renowned economists Keynes and Friedman. Keynes is the favorite economist of the Minister of Finance and those who have studied political economy. Here is what the editorial said:

> For over 20 years now, most of the western countries have substantially followed the economic and fiscal theories of one John Maynard Keynes, a famous English economist.

He was a success in England.

But back to the quotation:

He convinced almost all politicians that through fiscal policy and public expenditures, and by acting on interest rates, efficient balance between inflation and recession could be reached.

That indeed is what the Minister of Finance said a while ago, as a good disciple of Keynes.

I quote again:

Now, since that time, the purchasing power of money has gone down steadily ... and this tendency has grown considerably in the last two or three years. It must be pointed out that that theory suited politicians singularly—

In fact, they juggle with interest rates, fiscal measures, the reorganization of fiscal structures, etc.

I go back to the editorial:

—because it allowed them to indulge in expenditures, of guaranteed electoral value, financed basically by the loss of purchasing power of the taxpayers. Just as certain evils die hard, so do certain theories. It seems obvious that the Keynes system does not work or, to say the least, that it leads to extremely serious problems; yet, there are many who only swear by him.

The Minister of Finance is one of those who swears only by him. Again I quote the editorial.

As long as some sort of consensus has not been reached at the level of the politicians as to the true causes of inflation ... it is difficult to see how such an evil can be cured. As long as certain provinces are charged with a special responsibility with regard to inflation—

This is exactly what happens. Alberta and British Columbia, two prosperous provinces are being asked to lower the standard of living of their citizens to that which prevails in poorer provinces instead of trying to raise the standard of living of the Canadians who live in poorer provinces to that of their fellow citizens in Alberta and British Columbia, the only two Créditiste provinces in Canada without a direct provincial debt. I continue with the quotation:

As long as we put the blame on the citizens unable to control their consumption; as long as we pass the buck here and there ... inflation will continue with renewed vigour.

It is certainly not Social Credit which creates inflation. As was said—

The Acting Speaker (Mr. Béchard): Order. I am sorry to interrupt the hon. member but his time has expired.

[*English*]

Mr. Benson: Mr. Speaker, may I rise on a question of privilege. Some hon. members opposite asked for the unadjusted unemployment rate as of January 1, 1957. I said I would obtain it for them, and I have it now. It was 5.7 per cent in January, 1957. I might say that it was a lower percentage than in any January when the Tories were in power.

[Mr. Caouette.]

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): My colleague, the Minister of Finance (Mr. Benson), in his speech a few moments ago replied to the motion of the hon. member for Waterloo (Mr. Saltsman) that is before the House today. But I am glad to take this opportunity to review with you, Mr. Speaker, one of the steps that has been taken to introduce supplementary methods of dealing with the severe inflationary problems that we have in Canada today, namely a supplementary policy of appointing the Prices and Incomes Commission in order to reduce the effect of the general measures of the economic policy on employment, output and on the less prosperous regions of the country. I am amused at the fact that when the purpose of the Prices and Incomes Commission is to design and develop policies to avoid that which the deputy leader of the NDP said should be avoided, he and his party have done nothing for months and months but pour scorn on the Prices and Incomes Commission and the government's efforts to appoint and support it.

I wish to remind the House, as did the Minister of Finance, that the general measures which take the forms of fiscal and credit policies must have, as has been confirmed at the beginning of the week by the Standing Committee on Finance, Trade and Economic Affairs, a central place in the government's arsenal on any attack on inflation. The purpose of our supplementary approach through the Prices and Incomes Commission is to slow down inflation more quickly than those broad instruments can do and to permit us to take our foot off the brake more quickly than would otherwise be possible.

I was delighted to hear the speech made today by the Leader of the Opposition (Mr. Stanfield), who has obviously read a document that I had for some time assumed he had not read, namely the white paper on price stability that we tabled in the House over a year ago in which we outlined some of the undesirable side effects of tight fiscal and credit policies and how we were seeking ways to avoid those undesirable side effects.

Let me remind the House of some of the history behind the present situation. Hon. members will recall the fact that several years ago the Economic Council of Canada

was asked by the government to undertake a special study of the relationship between prices, costs, productivity and incomes, the problems of reconciling price stability with other economic goals, and the policies and experience of other countries in this regard. The Economic Council's report on that study stressed the importance of monetary and fiscal policies, on which the deputy leader of the NDP poured scorn today, and it recommended a number of long-term policies such as labour mobility and training programs, which the government is following. But on the matter of an incomes policy, the council defined such a policy as having three main components: a set of general guidelines for incomes and prices in the whole economy; a means of making those guidelines relevant for individual price and wage decisions; and a means of inducing conformity to the guidelines.

At that time the Council recommended against this approach for Canada, although it did not completely rule out under all circumstances the adoption of an incomes policy in this country. They recognized that there could be circumstances in which sufficient voluntary support might be rallied behind that program to make the policy effective for a temporary period. In December, 1968, I tabled in the House the white paper on price stability which analysed the inflationary problems facing Canada and gave notice of the government's intention to establish the Prices and Incomes Commission. Following publication of the white paper I held consultations with a large number of businessmen, leaders of the trade union movement, professional people, consumers and others. In those consultations we discussed the potential role of the commission and obtained a wide measure of support for the policies proposed in that document.

I would like to draw particular attention to one key sentence in that white paper. Speaking of the experience of other countries with incomes policies we pointed out:

—this experience has shown the critical importance of having broad acceptance of voluntary restraint.

As the House knows, the commission was appointed last July, and the Leader of the Opposition both before the appointment and since has been asking questions almost daily in the House, somewhat ridiculing me as the minister responsible for the commission and ridiculing the work of the commission. As I said today, I am delighted to see him solidly behind the program of the commission, and delighted to discover that what he has been saying for the last year he really did not mean at all.

The commission began work immediately, and in August they began to explore a concerted program to bring about greater price stability with representatives of business, labour, the professions, and with the federal and provincial governments. The commission noted at that time that the governments of Canada and the United States were committed to bringing this inflation to an end, and, as the Minister of Finance confirmed today, that is our determination. We have adopted credit and fiscal policies designed to achieve this. But given the momentum and the pervasive nature of the inflationary forces, this will take time and might have undesirable side effects. It seemed to the commission, and it seems to me, that a smoother, shorter and less painful transition back to price stability could be achieved if some way were found to cut directly into the spiral of price and income increases to slow it down more quickly. If this could be done, it would be possible to moderate government policies of budgetary and credit restraint earlier and soften some of their most painful side effects.

The commission was told on October 17, after a series of meetings, that the leaders of the two major trade union federations rejected as impractical any approach that might involve an explicit formula limiting wage and salary increases. The commission then decided to explore with business leaders alone the possibility of working out a more limited set of commitments applicable to price decisions through 1970. The objective would be that price increases should not exceed what might be necessary to recover increases in cost, and should normally be clearly less than that.

• (4:50 p.m.)

Exploratory discussions with the business community were encouraging enough to justify the commission's proposing a national conference on price stability, the conference that was held on Monday and Tuesday of this week. Quoting briefly from a preliminary background statement of the commission I read:

The first step would be to try to work out, through informal consultation with business executives representative of various industries, specific criteria for business pricing policies during 1970 which, if widely observed, would result in fewer and smaller price increases than might occur otherwise. Such criteria would necessarily require of business firms a meaningful effort on their part to do as much to limit price increases as could rea-

sonably be expected of them in the absence of corresponding restraints on wage, salary and other income increases.

If suitable criteria could be worked out at a national conference representative of all parts of the business community, the Commission would then ask business firms generally to observe such criteria in their pricing policies during 1970.

The results of that conference are known to all hon. members. I tabled in the House yesterday the statement of the National Conference on Price Stability. It has been referred to many times in this debate and I do believe it would be helpful for readers of *Hansard* if the statement tabled yesterday were to appear as an appendix to today's *Hansard*. I wonder, Mr. Speaker, is there agreement to that?

The Acting Speaker (Mr. Béchard): Is this agreed?

Some hon. Members: Agreed.

An hon. Member: If we are to have the minister's speech we might as well have that also.

[*Editor's Note: For document above referred to see appendix.*]

Mr. Basford: Mr. Speaker, I am amused at the remark which has been made by a member of the opposition, particularly since the Leader of the Opposition supported the whole statement. The results of that conference, as now tabled and appended to *Hansard*, are consistent with what the commission was asking. I understand that in some respects, they are even more effective than the commission felt it could confidently expect. I might quote one section of the communiqué which reads:

There was broad agreement among those attending the Conference on the following:

(a) Business firms generally, if called upon to do so, would reduce the number and size of price increases they would normally make in 1970.

(b) More specifically, where higher prices are needed to cover higher costs, and market conditions make them feasible, business firms generally, if called upon to do so, would ensure that price increases were—

And I emphasize this.

—clearly less than the amount needed to cover the increases in costs at a normal volume of output and sales.

The deputy leader of the NDP has quite wrongly interpreted that statement to mean profit stability for the coming year. It clearly indicates there should be pressure on profits, a squeeze on profits, and the businessmen attending the conference understood that to be the case.

[Mr. Basford.]

I want to take this opportunity once again, as I did yesterday, to congratulate not only the Commission on their success but also all those who took part in the conference, for the consensus reached represents a most important offer by the business community as one step toward easing our inflationary problem. I am delighted that the Leader of the Opposition is now supporting that consensus. For our part, we are most impressed by what the conference achieved this week. We regard it as a most important initiative in what must be a continuing process in seeking restraint in all forms of prices and incomes. The Chairman of the commission, as he and I have both made clear, will be reporting the results of the conference next week to the federal-provincial meeting which is to be held in Ottawa. They, the commission, will be seeking the broadest possible support from provincial governments for the program of the commission and for a co-operative and co-ordinated approach to the problem of inflation.

In our own policies, and in support of the commission's program, the government of Canada will do whatever it can to help supplement our more general measures against inflation with this imaginative supplementary program of the Prices and Incomes Commission. The commission has developed its program with a combination of patience, skill and enthusiasm. It is in this spirit that the government approaches other elements in our society, others making price and wage and salary decisions, and other governments in the full hope and belief that we can achieve a sense of national purpose that will turn the tide and bring this inflation to an end.

As the conference stated in the first page of its communique:

While the groups represented at the Conference are prepared to take an initiative as a contribution to a broad program of restraint, they emphasize that an indispensable requirement for the control of inflation is a comparable measure of restraint by wage and salary earners, by governments at all levels and indeed by everyone.

We support that statement, Mr. Speaker, and we certainly will be following that statement in the hope that others will do so also.

[*Translation*]

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Béchard): Order. It is my duty, pursuant to Standing Order

40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows:

[*English*]

The hon. member for Halifax-East Hants (Mr. McCleave)—Pollution—Chedabucto Bay —Developments following grounding of tanker "Arrow"; the hon. member for Nickel Belt (Mr. Serré)—National Film Board—user charges; the hon. member for Winnipeg North (Mr. Orlikow)—Unemployment Insurance—Commission Advertisements Respecting Fraud.

GOVERNMENT ORDERS

BUSINESS OF SUPPLY

ALLOTTED DAY S.O. 58—FAILURE OF GOVERNMENT POLICIES TO PROVIDE EMPLOYMENT AND CONTROL INFLATION

The House resumed consideration of the motion (Mr. Lewis for Mr. Saltsman):

That this House condemns the Government's policies which have deliberately created unemployment up to a crisis level, thus placing the country in danger of a recession, but which have failed to stop the rapid and continuing increase in the cost of living, and this House therefore calls for the immediate implementation of full employment measures, and a commitment to a comprehensive prices and incomes policy.

Mr. A. D. Hales (Wellington): Mr. Speaker, as a member from Ontario I appreciate the opportunity of saying a few words on this motion which deals chiefly with unemployment. I am at a loss to know why the Minister of Manpower and Immigration (Mr. MacEachen), who is responsible for unemployment, is not in the House, and why he has not been here all afternoon. This motion deals with unemployment and with other matters directly affecting him.

So far as the lecture or speech of the Minister of Consumer and Corporate Affairs (Mr. Basford) is concerned, I would like to remind him of what Dr. Galbraith, noted American economist, told the Standing Committee on Finance, Trade and Economic Affairs. He was asked whether voluntary measures would be satisfactory in controlling inflation, and he said absolutely not, that voluntary methods were only a politician's way of hiding behind what he should be doing. He went on to say that the three factors which were responsible for inflation were, first, the great number of social benefits that had been brought into operation—he was dealing both with the United States and Canada—and, second, it was a case of too many dollars chasing too few goods; third, it was because the multinational companies and unions could not agree.

He pointed out that a union would strike for months until finally the company in question would say, "We must operate, and so we will pay the increased wages." The increase was then tacked on to the price of the goods and finally found its way to the consumer, particularly to those who were not in the union group and who suffered the most. Despite all the things which the minister said about the great conference that was held this week I think time will prove it was nothing but an exercise in futility.

With regard to the Minister of Finance (Mr. Benson), who gave us a great line of statistics and a great raft of material, I say that whoever prepared that material should forget about all the statistics. He should return to the grass roots and ask the fellow who operates a small factory in his own town what is the cause of inflation and unemployment. That fellow will give the minister a lot of right-off-the-cuff facts of life which have been responsible for bringing about this unemployment. He will mention taxes. He will say, "You have taxed us to the point where we have to increase the cost of our product and now the white paper proposals indicate even more taxes. We have just about had it. This is the last straw and it is going to break the camel's back." Now, he is more interested in selling his factory than in running it.

• (5:00 p.m.)

The man who receives a pay cheque will tell you that the rise in the cost of unemployment insurance, the rise in income tax and the Canada Pension Plan deduction, all leave him with a take home pay less than it was before. He wants the same take home pay and, therefore, there is a demand for higher wages.

These are some of the facts you learn as you go around. Never mind all these statistics, all this theoretical material that is handed to members by these theorists we have. Let's get down to the facts of life, and what really causes this unemployment. As we know, the people in western Canada did not receive the money they should have received from the sale of wheat. Their purchasing power has been decreased and they cannot buy farm machinery. What about the

importation of boots and shoes, textiles, heavy technical equipment, freezers and appliances from other countries? All these factors have affected the consumer market to such an extent our factories have had to lay off people.

Ask your contractor, and he will tell you of people who have to pay interest rates of 10, 12 and 14 per cent to get a roof over their heads. What has this government done about putting any kind of control on interest rates? Not a thing! We have not had so much trouble since we lifted the ceiling on bank rates. I know the other side of the story too. If we had not allowed interest rates to rise, money would have flowed into other countries. Surely, however, Canada could have sat down with the United States and said, "Let's make a North American effort to see if some control cannot be put on interest rates". These are some of the things you learn when you talk to the manufacturer.

I would have liked to compliment the Minister of Manpower and Immigration on a couple of things as far as the manpower offices are concerned. In the Guelph-Kitchener-Galt area they have an excellent office which is doing a good job. I also wanted to thank him for the free telephone service instituted. However, there are also some things that are not working well and are indirectly related to this motion before us. The government is cutting down on staff in local offices which are being hamstrung by this fact. I would suggest that if staff is to be cut that should be done at head office rather than in the area where staff is needed the most. Next, I would mention the counselling service. I know of cases where people have been counselled to go into a line of work for which they are not suited or which is already overcrowded. These things should be looked at very carefully.

Now, I think the government has a moral responsibility with regard to companies which come into Canada and buy up existing Companies. A factory in my area which had been operating for 40 or 50 years was sold to a large American company which operated it for about a month and then closed it. About 300 or 400 people were put out of work. No attempt was made to try to relocate them in other employment. I maintain that when a foreign company comes into Canada and buys out one of our old, established companies there is a moral obligation to the people who have worked their whole life for the firm. However, these companies do not seem to agree; they just buy it, close it up and say, "See what you can do to find a job". I think this is a place where the government could help. I know of another company that is buying out a firm which has operated in our area for many years. The Guelph plant is to be closed and moved to another city.

We have mobility insurance which enables the department to pay travelling expenses for an unemployed person to go to another area. Would it not be more sensible to go to a firm which is contemplating moving "Continue to operate in this community and we will subsidize you to a certain extent." The department could use the money which would have been available to pay the transportation costs of the employees moving to other communities. It is very difficult for people to be transferred when they have obligations in their own community. I think the manpower department could have a talk with the new buyer. The firm I have in mind employs 400 people and if it is closed they will be out of work. The factory will be moved to an area 50 miles away. These are some of the factors the government should think about which cause unemployment.

I said, Mr. Speaker, I would not use statistics since that is all we have heard this afternoon. Let us talk some common sense about the effects of unemployment on these communities. In the Guelph area on February 3 there were 1,760 people unemployed, an increase of 1 per cent over January and I expect that the next report will show another increase of 1 per cent. Here we are in the golden horseshoe of Canada, the Guelph-Galt-Kitchener area—

An hon. Member: And Stratford.

Mr. Hales: —and Stratford, a highly industrial area where we should be moving ahead and have the lowest unemployment of any part of the country, yet we have 4.9 per cent of the labour force registered for employment this month. If this is the situation in one of the greatest industrial areas of Canada, what is it going to be like in other areas? I am sure members from Quebec, Newfoundland and western Canada will dwell on this at great length.

So, Mr. Speaker, I am going to conclude by saying what I said at the beginning. The problem is one of taxation, taxation and more taxation to the point where the manufacturer is just about to say, "I have had it; come and buy my outfit. I do not care whether you are from the United States or any other country, buy me out. I cannot stand this taxation any

more." I hope the Minister of Manpower and Immigration will read the few suggestions I have made about his department. He will see that I appreciate what has happened in connection with the area office.

• (5:10 p.m.)

Mr. Steven Otto (York East): Mr. Speaker, the subject matter under discussion is a serious one. I hoped it would be discussed in a nonpartisan way but, after seven years here, I have given up that hope. Of course, the opposition will lace into the government. We are expected to support government policies. This whole issue will probably disappear at ten o'clock this evening. I do not intend for one moment to criticize or support the government, but I have great criticism for established or conventional thinking and the conventional thinking that is behind our attempts to remedy the inflationary cycle. The clearest illustration of conventional thinking is to be found in thinking that says the earth is flat. There are still people who believe that. There is a flat world society, and its thinking probably epitomizes conventional thinking. I do not say that the conventional thinking of government advisers who try to solve our economic crisis goes quite that far; but their thinking does not make much sense.

For example, people say this about our unemployed, "Well, what about it if the man is out of work; if he is a carpenter, he can do something else—build a fence, or a boat, or work elsewhere. Let him take a little lower wage and eventually the whole thing will iron itself out." That may have held true 50 years ago. Today, a man unemployed is absolutely unemployed because all the trades are protected. The carpenter cannot pump gasoline or paint a fence. If he is a carpenter he must do carpentry or nothing. When a man is unemployed today he suffers most grievously and loses his sense of dignity and daring. For perhaps 25 or 30 years after being unemployed, he will be most cautious and careful and never dare to venture because the frightful consequences of unemployment today are most severe.

Although statisticians may tell us that 5.5, 4.8 or 4.9 per cent of the work force is unemployed, they do not really know anything about unemployment. It matters little to the unemployed man that there are 200,000 others in the same boat as he. Our conventional thinkers ought to realize that the consequences of unemployment for any one man are most severe.

I came across another example of conventional thinking when talking to a senior official of a department. I asked, "Tell me sir, if you are to restrict credit and make money more expensive, how will that cure the inflationary cycle?" He said, "You see, what really happens is this: We raise the bank rate; that means that industries and entrepreneurs must pay more for the use of the money they borrow. Therefore they have to meet this extra cost by cutting costs." I said, "How does the entrepreneur cut his costs?". The reply was, "Of course, he must make his plant more productive and lower his wage costs." I then asked, "And how does he lower his wage costs? Will he go to his men and say, 'I will not pay you $3.70 an hour anymore but offer you $2.50 an hour to work for me.'" Of course, his workmen will not work for those wages, and therefore the idea that they will is nonsense. Yet the whole idea behind our tight money policies is that somehow wages will be brought down.

The officials also said, "Of course, the businessman would have to restrict his production." Anyone who knows anything about business knows that once you reach a certain level of production you cannot cut back without serious consequences. You have only one choice: Go ahead at any cost, no matter whether you have to borrow money more expensively, and try to produce more to stay in business or go bankrupt. You cannot reduce your production; it does not work. Everything is presold months ahead. Futures are sold; money is advanced; your machinery must be productive or you go bankrupt. Clearly, conventional thinking is wrong in this field and conventional ideas will not work in the fight against inflation.

Similarly, price and wage controls will not work either. We accepted them in wartime when we all felt patriotic. Besides, you could not take money out of the country, because the flow of money was restricted. Also, wage and price controls were designed to hold down production of civilian consumer goods and increase production that would go into the war effort. I have no doubt that business and labour will not support wage and price controls; even if they do, the controls will not work.

I will now talk about an issue most hon. members here have tiptoed around. I can understand the NDP not talking about this issue because, of course, they represent labour. We who are Liberals or Conservatives

have tiptoed around the issue of labour-management relations. It does not matter whether you follow the ideas of John Maynard Keynes, Galbraith, Friedman or any other economist, including the leader of the Social Credit Party. Inflation has a simple definition. If your gross national product, as in Canada's case, increases by 1.2 per cent and wages and prices by 7 per cent, you have 6 per cent of inflation no matter whose theories you subscribe to. The only answer is that we must increase our gross national product. Sooner or later we shall have to introduce legislation to keep wage increases proportional to increases in the gross national product or to productivity of industry; otherwise, we are bound to have continuing inflation.

I have great trust and respect for organized labour. It wants to see the country progress. It is time to consider methods other than work stoppages for solving labour-management disputes. We have had strikes for a hundred years and it is time we changed our system of solving labour-management disputes. Consider what happens. Labour and management argue about something, there is a strike and production stops. In addition, we have about 42 days a year for holidays, and thus our gross national product decreases. The unit costs of labour do not go down. Labour wants higher wages for its members. It is time we recognized labour as an entity in our society and abandoned ideas that it is a quasi-legal, half recognized and half unrecognized institution. Organized labour is and must be with us. It must be given responsibility as well as rights, but we must find some other method of solving our disputes than work stoppages. Unless we do this, we will get deeper and deeper into inflation.

• (5:20 p.m.)

My reason for participating in this debate is that over the last three or four years we have observed a repetition of examples of restriction. Don't do this; don't do that; curtail this project; curtail this mine; don't manufacture more, manufacture less. One would think we were discussing a country as old as Holland, Belgium, England or Scotland. But we are not. We are setting policies for Canada, a country of hope and promise. All Canadians should be daring. We should take great risks and accept great challenges. Why in the world are we telling ourselves: Hold back; don't go ahead.

I have talked to some new Canadians who are absolutely amazed at this attitude. I refer

not only to the federal government, but to the provincial governments, municipal governments and to some businesses. There is no confidence. Everybody says: Hold back, wait. Something might happen. Don't dare challenge anything. This is the wrong attitude, Mr. Speaker. Unless this government and all the people in Canada reverse their ideas and spend as much time and energy on new projects as they now spend on trying to restrict projects, we will not have more to enjoy nor can we look forward to a better future. This should be the thrust behind our financial departments and institutions.

I wish to make some specific recommendations to the government. How can all this be done? How can we get confidence back into our businessmen and young Canadians? First, we have to support new risks and challenges. The Canada Development Corporation would be a wonderful way of doing this. We have to amend most of our corporate or business laws. At the moment our laws merely encourage speculative-type ventures. There are no corporate laws in Canada which protect an investor or invite participation. This situation must be changed.

We would do well to follow the United States example where a participant in a small company is well protected. He has a voice in it. We do not have this protection in either our federal or provincial laws. Most important, money must be available to small businessmen, the keen, young men with hope. This money must come from the banks, whether they like it or not. The banks were not given a monopoly in the business of usury. They were not given the right to enter the consumer finance field with interest rates of 18 and 20 per cent as a marginal benefit to Canada. The business of the banks is commercial banking. That is their business. We have control. Whether the banks like it or not, they should be forced into this field and out of the consumer loan market. That is not their avenue. Despite all the protestations of the banks that they provide cheaper money for people to buy boats and luxury items because they charge only 18 per cent interest instead of 22 per cent, it is nonsense. The business of the banks is to support our industry and commerce. They should be told this without question.

I cannot emphasize too often, Mr. Speaker, that we must rid ourselves of our inferiority complex. We must eliminate these restrictions. We must go ahead. The only way we

are going to solve this inflationary cycle is to be more productive. This will ensure that our prices and wages keep in line.

Mr. John Burton (Regina East): Mr. Speaker, the remarks delivered this afternoon by the Minister of Finance (Mr. Benson) were a curious combination of contradictions, distorted priorities and neanderthal economics. He suggested it is government policy to restrain inflation without unemployment. He then admitted that unemployment has become very serious. Later on, he tried to suggest it is really not so bad and he tried to leave the suggestion with us that things are getting better. Then, the minister went on to give his own definition of the current economic situation in Canada and suggested that the demand for goods is outstripping the supply. Later on he hedged on a question put to him as to whether the present inflationary situation was one of demand-pull inflation. The minister said that this is what started the present inflationary situation. He suggested the demand for goods is outstripping the supply in face of an admitted unemployment situation.

The minister went on to tell us that present policies were working, but then admitted that there was a very strong rate of price increases and noted that this would probably be pointed out during the debate. He gave no indication that there would be any change in these policies which obviously are not working.

The minister said that the government intends to continue with its present policies, policies which are obviously not working within the context of today's economy. He anticipated charges of a recession. He quoted two sets of unemployment figures at different times to try to prove different points. He suggested that the economy was strong and then went on to admit the government is taking action to help some very notable weak areas in the economy. He admitted there are unprotected people in the economy who have been seriously hurt as a result of government policies. The attitude of the Minister of Finance is that he is willing and prepared to do anything to fight and defeat inflation, even if it kills him and in the process kills the country as well.

We also heard this afternoon from the Minister of Consumer and Corporate Affairs (Mr. Basford). He correctly noted our scornful attitude toward the Prices and Incomes Commission. I hope the minister does not overlook the fact that our principal scorn is directed at the inadequacy of government policies and the framework within which this commission has to operate. The minister took solace from the report of the Standing Committee on Finance, Trade and Economic Affairs on rising interest rates. He interpreted this as support for the government's stand. The minister may be aware that there was another point of view expressed in that committee as well. He may be aware there was a minority report issued by the hon. member for Waterloo (Mr. Saltsman) and myself on behalf of the members of the New Democratic party. I recognize that this report cannot be officially tabled in the House, but just in case it has not come to the attention of the Minister of Consumer and Corporate Affairs, I would like to see that a copy is placed in his hands. I wish to have this copy taken across to his desk. I recommend it to him in order that he might learn that an alternate set of policies was put forward. I certainly commend the proposals put forward in this report.

The minister tried to defend an indefensible position. Certainly, it is his business if he wishes to defend the outline of price review procedure provided in the release issued after the meeting this week of the Prices and Incomes Commission. The review of prices would take place after increases had been made. It would take place in secret, behind closed doors with a totally inadequate procedure. It is the minister's business if he wishes to defend this sort of statement and to take solace in the statements contained in the release, such as one which reads as follows:

> Business firms generally, if called upon to do so, would reduce the number and size of price increases they would normally make in 1970.

My kids have a very short and to the point comment they make in response to a statement like that: Big deal. I do not think it is going to be a deal that will favour the Canadian people very much. I was happy that the minister asked to table the statement, and I understand it is now to be appended to *Hansard*. This will enable the readers of *Hansard* to see for themselves just how big a hoax this conference has been.

• (5:30 p.m.)

The classic definition of inflation, referred to this afternoon by the Minister of Finance, is that it is a case of too much money chasing too few goods. Let us ask ourselves the question: Is there too much money in our economy? I think that such a suggestion is very questionable. If one looks at the figures relating to money supply as compiled by the Bank

of Canada over the past year we see that the money supply in Canada has remained in a virtually stationary position for a number of months now.

Is it a case of there being too few goods? I do not think such a case can be made if we note that the industrial capacity of this country is continuing to grow. At the same time as we see growing unemployment and idle industrial capacity, inventories are increasing. I do not think there are too few goods in this country. However, we do have growing unemployment. In introducing the motion today, my colleague from York South (Mr. Lewis) cited figures just released by the Dominion Bureau of Statistics. It seems to be the attitude of the government that it must rescue Canadians from their present plight by throwing many of them out of work. The government seems to suggest that unemployment is the cure for inflation; certainly that has been the thrust of their policies for many months now.

This policy of the government will not work. It seems to me there is ample evidence on which to reach the conclusion that it simply will not work. We have continuing price increases; at the same time we see growing unemployment, the current figure being above 6 per cent. In addition, we must regard unemployment in today's society as an unacceptable device for implementing government policy, whatever it might be. I think it is a case of sheer callousness on the part of a government that is prepared to tolerate unemployment and to implement its policy in face of the conditions which confront Canada today.

I should like to give an example of a case that came to my attention during the Christmas recess of the House of Commons. This example, which is only one of many in the country, illustrates the plight of many people as a result of the policies being followed by the government. In the city of Regina I happened to meet a policeman with whom I am acquainted. We had a short chat together, during the course of which he asked me, "What in hell is Trudeau doing when he says he is prepared to tolerate a 6 per cent level of unemployment?"

He then went on to give me an example of one effect of this type of policy. He told me about a young fellow who got into trouble in the city of Regina and as a result found himself in jail for a period of time. This policeman was successful in obtaining parole for the young man because he was married and his wife had just had a child. He told me that this young man was looking for a job; that he was trying to help him, but could not find him a job. He is a man of some skill, yet he could not find a job. At the same time, he is aware of his responsibility and the pressure of his domestic situation, having a family to support. The policeman told me that, understandably, this young man felt the world was against him, and that sooner or later this young fellow would again get into trouble because of the circumstances in which he found himself.

Is this the type of situation that the Prime Minister (Mr. Trudeau) and the government are prepared to tolerate? I submit that this type of policy is utterly intolerable. The government seems to live in a fairyland of its own making, pretending it can talk away today's problems. At the same time it permits bank profits to increase. An article in the Ottawa *Journal* of Monday, December 8 last, indicated that the banks' net profits, amounting to $157 million, were 26.5 per cent higher than the $124 million they made in 1968. Their profits from operations, before appropriations for losses and income taxes, were a whopping $469 million, an increase of 23.5 per cent over 1968. We have very little evidence that the government is going to restrict bank profits in any way. The banks have given some sort of undertaking that for the balance of this year they will not further increase their charges. They are certainly high enough now.

I suggest that the government's present policies will not work because we are living in a new world, a world the Liberal government helped create, in terms of Canada's present economic structure. This is a fact the government fails to recognize. It thinks that things can be done very much as they were in the old days. Today we are living within an economy of administered prices, where capital spending decisions are made independently of the public interest. The most recent example of this was the announcement of the 1970 capital spending intentions of Canada's major corporations. Their capital spending in 1970 will be 14 per cent above the 1969 level.

We also have a high degree of foreign ownership and control of the Canadian economy; many economic decisions are made outside Canada. There is growing disparity of income and economic wealth and power in Canada, and this has broad social consequences. The influence of the United States economy continues to grow in Canada in terms of both trade and investment. The government is

bankrupt of any sort of effective policy to deal with this situation. It lacks the courage to develop adequate policies and is unwilling to tackle the basic issues now facing Canada's economy. Government policy has placed Canada in an economic straitjacket. The government has used fiscal and monetary restraint in a way that has resulted in what I suggest is an unacceptable unemployment level; and it is prepared to tolerate this situation.

The government's fiscal policy puts a lower value on public spending than it does on private spending. This has weakened the government's position in managing the economy. It has resulted in hardship for many—pensioners, veterans, people who have been laid off work, farmers, those living in city slums and in areas of the country that are economically deprived. The monetary policy of the government consists of restricting the money supply, allowing higher interest rates, fixed exchange rates—all of which has not slowed down capital spending but, rather, has made it more difficult for people on fixed, low and medium incomes to finance their needs. Our fixed, foreign exchange rate has made it more difficult to act independently and to resist the influences and pressures of the United States economy.

I should now like to deal with the regional impact of the government's policies. We know full well the unemployment situation in the Maritimes and in Quebec. We now have a new situation in Saskatchewan. Figures released today show that the unemployment level in Saskatchewan is 5.5 per cent. If one takes into account the many people who are not included in the labour force that was surveyed, I think we can safely estimate that today's unemployment level in the province of Saskatchewan approaches 15 per cent. If anyone doubts my figure, I can show him the method by which I came to that conclusion.

The fact is that today there is a very serious economic situation in Saskatchewan. The province is well into an economic recession. The relentless downhill slide of farm cash income, resulting from low wheat sales and depressed prices, continues; and prospects for the future are not very encouraging. There seems to be no relief for farmers in terms of new, federal government policies or, for that matter, provincial government policies.

• (5:40 p.m.)

I could go into some detail on the situation of the Saskatchewan economy, but time does not permit. I think the conclusion we can arrive at is that the economic situation in Saskatchewan, Quebec, the Maritimes and other regions of the country reflects the failure of the government's regional development program to come to grips with our regional economic problems.

The Minister of Finance often suggested that regional development policies would offset the effect of national policies of economic restraint in so far as they apply to regions of Canada which are experiencing difficulty. This is not the case. I suggest special programs are required to help Saskatchewan and other disadvantaged areas in the west. The entire province should be declared a designated area under the Regional Development Incentives Act. We require special assistance to encourage agricultural adjustment and to overcome emergency agricultural situations. The government has taken refuge in the voluntary restraint program that is being developed at the present time. I prefer to refer to it as a Boy Scout effort, because I suggest that financially it will not work. Orthodox economic policies will not work in the present situation because we are living in a different world and we must adopt a different approach.

The hon. member for York South has already suggested that a comprehensive incomes policy is an essential program to deal with our economic situation. Such a policy would apply to all income. The suggestion has been made that there is some hesitation on the part of organized labour to go along with this policy. I should like to draw to hon. members' attention a memorandum of the Canadian Labour Congress to the government of Canada, dated February 8, 1967, which states:

> It is our view that one of the essential elements in a successful "war on poverty" involves a more egalitarian distribution of our nation's wealth. This can be achieved in a variety of ways. One mechanism that we feel deserves mention is commonly referred to as incomes policy. The definition of incomes policy varies widely but one aspect of such a policy that is too often ignored is the creation and subsequent administration of a more socially equitable policy for distributing income in the economy. It is unfortunate, therefore, that in much of the discussions of incomes policy a much narrower definition seems to have been applied. Incomes policy too often appears to have become a euphemism for wage policy and this, in turn, has been used as synonymous with wage restraint.

I hope the Minister of Finance takes note of that statement. It is then stated:

> If labour has not been noticeably enthusiasitc about incomes policy the reason lies here. On the

other hand, labour would certainly give consideration to, and he prepared to discuss with other groups, an incomes policy that formed part of a total plan to distribute our nation's economic wealth more equitably.

I suggest other basic programs are required; programs to control capital spending in our economy, particularly where so much of our economic activity is in the area of capital expansion. We must take steps to reduce our dependence on the United States economy, particularly through the establishment of a Canada Development Corporation. We need help for victims of inflationary pressures—pensioners, farmers, those whose incomes are reduced and all low-income people. Some of the government surplus to which the Minister of Finance referred this afternoon could be used to this end. We should control interest rate spreads and the profits of financial institutions. We need a floating exchange rate, which the Minister of Finance so summarily rejected. We need a tax on advertising and promotion costs. We need help for municipal and provincial bond financing programs.

I suggest that the government's present policies have been, and are, a total failure. The government should change its course of action before it is too late and before its policies result in the ruination of much of Canada's economy.

Mr. Barney Danson (York-North): Mr. Speaker, I have enjoyed most of the debate this afternoon. Unfortunately, I had to miss some of it. It rather stuns me that there is so much acrimony and blame being attached in this respect, because the problem is so serious that everyone should take it seriously. I would rather we did not try to win debating points by blaming one another, particularly in view of the fact no one seems to have the real answer.

It has been my privilege to be a member of the Committee on Finance, Trade and Economic Affairs studying interest rates. This really turned into a study of inflation. The more we got into this question, the more complex we realized it was. Opposition members seemed to be terribly sure of the causes and answers, yet anyone who sat through those hearings knows that economists like Dr. Arthur Smith, Professor John Kenneth Galbraith and Professor E. P. Neufeld of the University of Toronto—men each with different points of view and highly regarded in their field, but without consistent answers—believe that we must approach this problem in all sincerity and look at its many facets and technicalities in order to come to grips with it.

When constructive suggestions are made that is good. We must try many of them and study those we have not tried, to see whether they are feasible. I have heard about a comprehensive incomes policy but what this means is incomprehensible to me. This is a matter we should study and apply if it seems to have any hope of success.

There is another area which I think should be studied but which we did not have the opportunity to come to grips with in the committee. I have in mind the establishment of perhaps a new index or the expansion of existing indices such as the consumer price index which reflects increasing inflation. The problem today is that when we set interest rates, we must allow for the possibility or likelihood of inflation. When a landlord sets the rent he must take into account the inflationary factors and build them into the rent. The lender takes the inflationary factor or the expectation of inflation into consideration when fixing interest rates. The same thing applies to prices and wages.

If we could establish a suitable index or perhaps several indices that would reflect what is happening in certain segments of the economy, those people who set rents and interest rates, wages and prices could hopefully—I say "hopefully" because it is all hope and nobody has any real answers—set their interest rates, rents, wages and prices without allowing for the expectation of inflation. This would eliminate the effect of inflation which results from including the expectation of inflation. This is not simple, and I realize it does not involve an easy answer. We should study this matter. By leaving out a consideration of inflation expectation we might reduce inflationary pressure and to a certain extent help eliminate the inflationary expectation which might occur. If it does occur and it is reflected in this index, the effects on prices, rents, incomes and wages could be adjusted at intervals perhaps on a quarterly basis to compensate for the actual increase in inflation. I should like to see a great deal more study in this regard.

The report of the committee, which I think is a good report because it is many-faceted, looked at this matter realistically. It suggested many possible approaches and indicated many causes. It referred to the effects this has on the service sector of the economy. Great emphasis was put on this question and I

should like to re-emphasize it today. We do not know too much about it. The economists seem to be at variance as to how much of our gross national product is represented by the service sector. After some investigation, I am satisfied that some 50 per cent of our gross national product is represented by the service sector. Some say it is as high as 70 per cent. I believe, from information I have received from economists with whom I have spoken, this is inclusive of government. If the service sector of our economy is 70 per cent of the gross national product, I think it is evident that we must look at the situation much more seriously than in the past and obtain more information and facts. As there is more automation and cybernation leisure will become more and more prolonged—except in respect of Members of Parliament! We might have assistance by that time to help us look more deeply into this question.

• (5:50 p.m.)

High interest rates and unemployment, in my opinion, are not weapons used to fight inflation but are consequences of monetary and fiscal policies designed to combat inflation. If we can beat inflation we should be able to lessen increases in interest rates and unemployment. I believe this is just what the government is trying to do. The Prices and Incomes Commission, the Bank of Canada and the Economic Council of Canada are all trying to come to grips with the situation. Many people criticize present measures, but I have yet to hear anyone express alternative solutions which have any credence. We are not sure about the consequences and must consider many facets in our approach to the fight.

The fight against inflation will not be won by individual action; it will take a broad approach by all sectors of our economy and society, each doing what they or he or she can do. The implementation of mandatory price and wage controls presents vast administrative problems and costs which, except as a very last resort, are unjustified or unnecessary in our generally buoyant and free economy. When we begin, we do not know where to stop. This system would permeate into every sector of our society and economy and bureaucracy would be overwhelming. I do not think this would help our economy. I do not think we have time to establish such a bureaucracy even if it were desirable. We have quite enough already. I am hopeful that we would come solidly to grips with this problem before such action came into play.

The principal culprit is inflation psychology, or what some people call inflationary expectations. I referred to that in my suggestion in respect of an index. Whether we are management, labour or consumers—and we are all consumers—we believe that inflation will continue. People who have bet on this in the past have been right. We are so confident, as a result of our experience in recent years, that prices will continue to rise that we are prepared to buy anything now in the sure knowledge that it will be cheaper than delaying our purchase. Most, but not all, are confident that our incomes will be adjusted upward to compensate for price increases to which we so easily succumb.

An hon. Member: What about MPs?

An hon. Member: See Stanley Knowles.

Mr. Danson: Except for present company. What union negotiator in his right mind—

Mr. Knowles (Winnipeg North Centre): I am in my right mind.

Mr. Danson: What union negotiator in his left mind—

Mr. Knowles (Winnipeg North Centre): Touché!

Mr. Danson: —would accept a settlement today that did not allow for inflation? On the other hand, this very expectation helps feed the fires of inflation by increasing costs. Let us look at the situation in respect of the steelworker who recently spent 80 days on the picket line for a wage settlement that will be largely dissipated by inflation before the contract expires. How do we end this spiralling chain reaction? I suggest we are now at a time when we can slow down and even reverse this spiral.

I think the meeting between the business leaders of Canada and the Prices and Incomes Commission is a good sign. Sure, the communiqué was vague, but I think there is a possibility of success if everyone comes to grips with the government's fiscal and monetary policy. High interest rates, unemployment and high taxes have started to make us think, and perhap worry. This is the first stage in combating the inflation psychology.

More than this however some segments of our economy perhaps as a result of subtle or not so subtle government persuasion have

begun to react. The banks have agreed to hold back on announced interest rate increases and increased service charges. I wonder how many others have not as a result announced increases that would certainly have occurred. Some producers have announced a rollback and delay of price increases. Two of our major department store chains have withheld rate increases on credit accounts. By their actions, I am sure they have forced others to withhold increases. Even doctors and other professional groups are joining the fight and practising restraint.

There is a pyramiding effect to such action just as surely as there is a pyramiding effect to price increases. The timing of further action is critical because in each case the announced restraints are temporary. It is costing money to those practising restraint. They will only be willing to make restraints permanent if it pays them to do so. It will only pay off if the rest of the economy, including all of us as consumers, show equal determination to join them in anti-inflation efforts. If we do not, we might have to go through a long period of continuing, and perhaps crippling inflation before we have another opportunity comparable to that which we have today.

I believe when we see everyone beginning to pull together it is time for labour to cease to opt out; it is time for labour to stand up and be counted with the rest of Canada, with the businessman, the consumer and everyone else. I realize labour has been, unfairly, a whipping-boy in the past and I can understand its reluctance to become involved in some of the efforts to date. But I believe there has been enough good will shown in so many sectors that it is time for labour to opt in instead of out. It is time for labour to stop blaming others and saying this should have been done sooner, that it is too late to do it, or that it does not agree with what is being done.

I think the Leader of the Opposition (Mr. Stanfield) said it is time we all started pulling together. If labour would do this, I suggest that business would do something about profits. Profits do not always come into people's pockets; this only happens when they become dividends. I suggest business might very well consider a restriction on dividends. This could have a very great effect on our economy.

There are two types of investors. There are those who invest for growth and those who invest for return. Those who invest for return can find adequate return with mortgage rates as they are today. Those who invest for growth should be delighted to see the dividends reinvested in businesses which create jobs. This would create growth and more jobs for labour, with ultimately better rates for everyone. Labour should at the same time accept its share of restraint in order to improve the economy. I should like to develop this theme further, Mr. Speaker, but I see my time is up. I should like to deal with it at another time in greater detail.

Mr. MacEwan: May I call it six o'clock, Mr. Speaker?

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

Mr. H. Russell MacEwan (Central Nova): Mr. Speaker, we have been treated to speeches this afternoon by a couple of cabinet ministers who were preaching the gospel of their doctrines and policies. Not being an economist, a member of the finance committee, or even particularly knowledgeable on this subject, I do not intent to deal with these matters. They are beyond me, and I believe they are also beyond the Canadian people.

In any event, this evening I want to talk about that part of the NDP motion pertaining to unemployment. We have heard it said—this has been confirmed by the Prime Minister (Mr. Trudeau) and is something we have long suspected—that this government can think of no alternative to a policy which imposes unemployment and hardship upon an increasing number of Canadians.

We heard the Prime Minister say at a press conference that even if unemployment reaches 6 per cent or more, he would not lose his nerve. There is not much question about his having to have nerve to make that statement. His ability and that of the Minister of Finance (Mr. Benson) to manage the economic policy should concern all Canadians. It is incredible to me, and indeed to many other people, that the government, which sought so eagerly to convey the impression that it was interested in new ideas and dedicated to a just society, should resort with such unconcern to one of the oldest, crudest and cruellest of economic policies, namely, creating unemployment. The government is deliberately creating unemployment to prevent increases in wages and prices.

I shall refer for a few moments to a local matter and the role of regional economic

expansion in the Atlantic area. Last week we had a debate on this matter. I do not intend to go into it at any length, and I did not take part in the debate. However, it is my belief that if the government means what it says, namely, that it wishes to help designated areas such as the Atlantic region, that is where the policy of regional economic expansion should be applied.

The minister, when speaking at various times in the House and outside and writing in various pamphlets, has pointed to all the jobs that have been made available by his department. He has also stated that the officials of his department have spoken to officials of the provinces, and he hopes that in this way agreements will be reached by April 1 of this year. I trust that this will be the case. We on this side will be waiting anxiously for April 1 because we want to see some benefits being derived from the Department of Regional Economic Expansion. There were bands marching, and a lot of fanfare at its inception; but we are interested in the old, green stuff—the money.

Some hon. Members: Hear, hear!

Mr. MacEwan: That is what we want. Of course, it would mean increased employment in our area. This is one way of doing it. It has been said today by some hon. members on the other side that the unemployment rate has not increased very much; that in fact it has decreased. I pointed out, in a question to the Minister of Manpower and Immigration (Mr. MacEachen)—a minister from my area, a transplanted Cape Bretonner—that it is now at 10 per cent compared with 10.1 per cent at the same time last year. That is not much of an improvement.

• (8:10 p.m.)

In Quebec unemployment has risen to 8 per cent from 6.7 per cent. In Ontario it has risen to 4.2 per cent from 3.1 per cent in December. On the Prairies it is 4.6 per cent, up from 3.3 per cent in December and 4 per cent in January of last year. In British Columbia unemployment rose to 7.3 per cent of the labour force, up from 5.5 per cent in December. The matter of unemployment in the Atlantic area is very serious; it and Quebec are the hardest hit areas. I trust the new department will be able to improve the employment situation.

The eastern shore area of Guysborough, in my riding, is one in which this new department could do a lot, in co-operation with the province, to build tourist facilities and pave roads. Such works would provide employment. We are waiting for April 1 to see some of the results from this department.

Mr. Muir (Cape Breton-The Sydneys): April 1 is All Fools Day.

Mr. MacEwan: A lot of things happen on April 1. We will have to wait to see who are the fools. I hope it is not the Canadian people. The hon. member for Oshawa-Whitby (Mr. Broadbent) mentioned another matter which was referred to earlier in the session by the hon. member for York South (Mr. Lewis). That is the training of our younger people for employment. The hon. member for York South pointed out that the largest group of unemployed were in the 14 to 19 years age group, and the second largest comprised married men from the age of 20 to 34 years. Many complaints have been received by members of this House concerning the regulation which provides that in order to receive assistance under the manpower set-up, an applicant must be out of school for a year and have been in the labour market for three years. I maintain that this regulation is unfair.

In answer to a question which I asked last session, the minister said we have to train our older people first. But as pointed out by the hon. member for York South, the largest group of unemployed consists of younger people. The minister should re-examine this regulation. By training these people he could help alleviate the unemployment situation.

The withdrawal of the winter works program is also reflected in the unemployment rate of 6.1 per cent. Hon. members will recall that last session the government had a special committee set up to meet various people in industry, but it withdrew from the establishment of that committee. A winter works program could provide employment for many people in my area. The Minister of Manpower and Immigration says that this program has been replaced by a training program. But, Mr. Speaker, that program has not been adequate. The government should reconsider this matter.

Our great Minister of Communications (Mr. Kierans) has been closing post offices in my area and all over Canada. Coming from a city like Montreal—incidentally, it is a city I like to visit—perhaps he does not know that the local post office means a great deal to the small rural area, to the village or local community. Although he comes from Montreal, I believe the minister should know this because

I am told that in his younger days he was a travelling salesman in the Atlantic area, selling flour or something of that sort. In a village there is perhaps one store and the post office. People look forward to getting their mail and buying their stamps. The minister has not looked at the human side of this matter.

When a post office is closed, it puts people out of work. A question was placed on the Order Paper and the answer, which I believe was given last Monday, showed that the amount to be saved by closing post offices is only $1 million. You might say that is a lot of money, but this step has taken the heart out of many small communities. Certainly it will not help the government when the next election comes around.

In the province of Nova Scotia public works are important; We need wharves, breakwaters and dredging operations. But we notice that in the estimates for the current year, running to the end of March, 1971, estimates for public works, for the province of Nova Scotia show a reduction of approximately one half. The amount in 1969 for this purpose was $5,655,000; for the current year it is $2,780,-000. Apparently our minister from Nova Scotia has not had much sway with the cabinet. Public works in larger areas are not as important as they are in areas like mine. Fishermen require these facilities in order to do their work and look after their families. This is another instance of disregard by the government of something that is important to the Atlantic area.

In 1962 the government of the right hon. John Diefenbaker introduced a program of subsidies for shipbuilding in Canada. It has been cut back in successive years and will be practically abolished by the end of 1972. This step has also contributed to unemployment. The program was designed to give assistance to our shipyards and to enable them to be competitive with foreign shipyards. As we know, most other countries grant subsidies to their shipbuilders. We know that in connection with the shipbuilding program the government has set up a committee headed by Commodore Robertson. I trust that this committee will present a report before too long, and I hope that the government will reconsider its action in this respect.

Around this time of year the CNR can always be counted upon to do something to gladden the hearts of its workers. In my constituency, and also in the constituency of my colleague from Cape Breton-The Sydneys (Mr. Muir), this year that "something" will be the laying-off of maintenance men as of April 1. The number of maintenance crews will be reduced, and I am worrying about the safety factor. Under the new set-up, one crew will cover 52 miles. This will cause more unemployment. I asked the Minister of Transport (Mr. Jamieson) to look into the matter. I do not know whether he has done so, but I repeat that this policy is creating unemployment in these areas.

Some time ago the hon. member for Calgary North (Mr. Woolliams) questioned the government about disabled veterans. It did not give me any satisfaction to hear the President of the Treasury Board (Mr. Drury) say that some veterans were being laid off. I asked the Minister of Veterans Affairs (Mr. Dubé) about the matter, and he replied that they were not laying off many in the Department of Veterans Affairs. When I asked him about veterans in other departments, he replied that he could answer only for those in his department. That is the trouble. The Department of Veterans Affairs is going downhill because this minister from New Brunswick is not doing his work; he is not looking after the veterans of our country.

No matter what happens, Mr. Speaker, I am sure the Canadian people will not forgive a government that will put up with unemployment and will in fact cause unemployment. The Minister of Finance, sometimes referred to as Gentle Ben, has proven that with respect to the policies for which he and the Prime Minister are responsible, he is not so gentle. It is hard for a man without work, out of a job, to go home and eat flower power; it just cannot be done.

• (8:20 p.m.)

At this time, Mr. Speaker, I would call on the Minister of Finance, who is here. Perhaps the Prime Minister will also enter this debate and tell us how the government will improve the unemployment situation in this country, a situation which should never have been allowed to occur. We ask how long the government can afford to ignore the spectre of mass unemployment that looms over the horizon. This government is accountable to the Canadian people in this matter—let us see them do something about it.

Mr. Alastair Gillespie (Etobicoke): Mr. Speaker, I should like to address my first remarks to the wording of the motion before us. There is a peculiarly old-fashioned ring to the wording, "That this House condemns".

This is the language of the Oxford Union, the language of yesterday. It is a peculiarly unconstructive, unprogressive sort of language. It focuses on moral issues in the sense of moralizing. It does not come to terms with the real issue that should be before this House, the issue of the misery of those who are unemployed. Where is the concern on the part of those who have placed this motion before us to do something, to build, to share? Where is the spirit of wanting to help? Where is the spirit of those who wish to help the victims of inflation? There is no suggestion in the motion, no feeling for the utter helplessness of those who are unemployed and suffering defeat—

Mr. Deputy Speaker: Order, please. The hon. member for Cape Breton-East Richmond (Mr. MacInnis) is rising on a point of order.

Mr. MacInnis: I rise on a point of order at this time, Mr. Speaker, to draw your attention to the fact that the member now speaking is violating the rules by reading directly from a document.

Mr. Deputy Speaker: On the point of order, I would draw to the attention of the hon. member and all members of this House that there is a long-standing tradition that one does not read speeches. I shall exercise a certain degree of latitude, as has been the practice of the Chair heretofore, and invite the hon. member to refer to his notes in a general way.

Mr. Gillespie: Mr. Speaker, let me assure you that what I have here are no more than notes; they are handwritten. It is not a prepared speech.

Mr. MacInnis: Try to get along without them.

Mr. Gibson: He is doing all right.

Mr. Gillespie: If hon. members opposite are interested in my remarks, I am prepared to continue. If they have made up their minds to close their ears—

Mr. Macdonald (Rosedale): What minds?

An hon. Member: Now, Donald, you have been a good boy today.

Mr. Gillespie: There is no feeling for the suffering, for the personal sense of defeat of those who are unemployed and their families.

An hon. Member: You missed a line.

Mr. Gillespie: I would have been more persuaded by the speeches if I had sensed the kind of understanding which this problem of inflation requires.

Mr. MacInnis: There are the notes again.

Mr. Gillespie: Let me refer to three particular areas. First, I should like to preface my remarks by drawing to the attention of the House the fact that the House of Commons Committee on Finance, Trade and Economic Affairs tabled a report last Friday after some months of consideration. It is a substantial report and was fully reproduced in *Votes and Proceedings* of last Friday which all members found on their desks last Monday morning. One of the points the report made was that inflation is affected by a number of things, not least by the kind of activities that occur in key industries.

John Kenneth Galbraith, in evidence before the committee pointed out that the key industries, or what he called the industrial heartland, were a substantial part of the problem of inflation today. In the key industries he included the whole question of the housing or construction trades. Many members will recall the headlines of last summer regarding the construction trades, to the effect that carpenters will get $240 a week and more benefits, and that Metro's 4,500 carpenters in the commercial field will receive a wage and fringe benefits package of $1.97½ an hour over two years, an increase in the order of 30 per cent. Other articles pointed out that these increases would increase housing costs in the metropolitan Toronto area by approximately 12 per cent. That is to say, a house which had previously cost $20,000, not including land, would in future as a result of these increases cost $22,400. There is no suggestion in the motion put by the NDP that this sort of increase, which is well above any productivity increase by the economy, has an inflationary effect. They speak of a total incomes approach.

The government, on the other hand, has recognized in a major way the problem of housing in this area. Not long ago the Minister without Portfolio (Mr. Andras) drew to the attention of the House the importance of this whole area and presented a program which involved greater expenditure on public housing than on any other occasion in the past. I would suggest, Mr. Speaker, that this is one way of compensating for a situation which inflation has helped to disturb.

What about regional unemployment? The government has produced programs under the department of Regional Economic Expansion which are aimed at the very problems we are all concerned with, unemployment and slow growth in the most disadvantaged parts of Canada. This is a selective government approach. Where have we heard a constructive suggestion? How does an incomes policy, undefined, help to develop income in areas of slow growth? Mr. Speaker, I cannot help sharing suspicion of many that some opposition members wish to score debating points on the misery of other people.

Mr. Hees: You are the third guy to say that. They had the same speechwriter.

Mr. Benson: You guys could stand one.

Mr. Gillespie: Mr. Speaker, there is some sensitivity here on the part of the opposition to a very legitimate point. After the report of the House of Commons Committee on Finance, Trade and Economic Affairs was presented, two of the opposition members of that committee submitted their own report to the press and they condemned the committee's report in much the same language as their motion. They said:

> The majority report is a meagre document whose premises and conclusions we cannot accept. It is a compendium of unimaginative orthodoxy that is neither fair nor workable.

They used the word "orthodoxy" to suggest that in some ways it was old hat. I suggest that if they have new ways of dealing with the problems of inflation and unemployment, they should put them before the House. Those who at least read the report know that they were more concerned with wrapping the Canadian economy in a cocoon to insulate it from the world than in dealing with the realities of the world. They acknowledge the fact of interdependence but suggest in some way that we can legislate our own independence from world economic forces. I think all hon. members realize that the rate of inflation in Canada is more influenced by foreign factors than by domestic ones.

• (8:30 p.m.)

What is wrong with a program of restraint? The government has put forward an appeal to all Canadians in all parts of Canada—I say, to all Canadians and not just to the leaders of Canada—to show restraint. The meetings last week indicated that there is a significant body of opinion in Canada which is prepared to accept and work toward a progressive and constructive approach to solving the problem of inflation through restraint in prices.

I think all hon. members of the House are waiting to hear how other members of the community are prepared to react. All of us, I think, are disappointed or perhaps saddened by the lack of sensitivity to a national problem evinced by a particular group. I would hope for and welcome any initiative the Canadian Labour Congress might make at this time to show that it, too, is on the side of restraint.

The Standing Committee on Finance, Trade and Economic Affairs in its tenth report made various recommendations. These recommendations were directed at the following:

> (a) Making management, labour and all sections of the economy more accountable to the public interest.

I say, let us hear from all sectors of the Canadian public and from all leaders of all sectors. The second set of recommendation was directed at:

> (b) Increasing the effectiveness of federal government fiscal, monetary and economic measures that may be applied to regulate the economy.

I commend to all hon. members the specific recommendations which follow in this regard. The third of the general class of recommendations is directed at:

> (c) Concerting the spending plans of the federal government, the provincial governments, and through the provincial governments, those of the municipalities.

Is this orthodoxy? If it is, I say we need more of it. I argue that the time is long overdue for the private sectors and governments of all levels to join together in a spirit of common purpose for a concerted approach to the problem of inflation. We should do this with the spirit of purpose which suggests the idea of sharing rather than condemning. This is the way we will deal with the problems of inflation; this is the way we will deal with the problems of unemployment.

[*Translation*]

Hon. Théogène Ricard (Saint-Hyacinthe): Mr. Speaker, we are called upon to vote tonight on a motion from the New Democratic party condemning the government's policy which has deliberately created an increase in unemployment, and has failed to stop the cost of living from rising, thus causing worry and unease amongst the people.

Mr. Speaker, I intend to vote in favour of the motion, because there are now 485,000 unemployed in Canada, that is 6.1 per cent of

the labour force. In the province of Quebec alone, the unemployed number 178,000, or 8 per cent of the Quebec labour force and 36.7 per cent of the total number of unemployed in Canada. Montreal alone has 50,000 unemployed. If that is not enough to worry the government, will there ever be a situation serious enough to upset our country's administrators?

We have heard this afternoon a minister and some government members who apologized to us for the present situation. I had the opportunity to hear speeches by Liberal members during the sixties, when the Conservatives were sitting on the government side, and I find that today's speeches are quite different from what we used to hear then. You should have heard men like Mr. Martin, Mr. Pickersgill, Mr. Chevrier, shedding crocodile tears on the plight of those workers who were at that time unemployed. Well, today, the situation is exactly the same as then, and we no longer hear those lamentations from the government side. If we were to believe what those on the other side of the House tell us, the workers never had it so good. Yet, facts tell quite a different story.

[*English*]

A few moments ago I was listening to the hon. member for Etobicoke (Mr. Gillespie) saying, at the start of his remarks, where is the spirit that is needed to help those who are hurt by inflation and the high cost of living? May I say to the hon. gentleman that the Minister of Finance (Mr. Benson) understands this situation very well because he has suggested that a working man and family can do very well on $30 a week—that is enough for him to get along with. The hon. member also asked for some suggestions. Let me say here that none are so deaf as those who do not want to hear. Members on this side of the House have made suggestions which have always been rejected by those who sit on the treasury benches. So let us not be fooled by this kind of talk.

Mr. Gillespie: Mr. Speaker, would the hon. member permit a question?

Mr. Ricard: I have only a short time to speak, and lots of ground to cover. I ask the hon. gentleman to wait until I have finished my remarks and then I shall be glad to answer his question. We have suggested time and again that if the government really wishes to help those who are unemployed, it should eliminate the 11 per cent sales tax on construction materials. Has this been done? We have also begged the government not to impose for another year the 3 per cent surtax. What was done about that? That tax certainly hurts those who are unemployed. So let us not be fooled by that kind of talk, Mr. Speaker.

• (8:40 p.m.)

[*Translation*]

Mr. Speaker, I should also like to make a few suggestions. In my opinion, the government should bring back the winter works program because it used to help find work for those who were idle in wintertime.

In addition, construction of overpasses could contribute to eliminate railroad crossings. Such projects could get under way in early fall in order to provide winter employment for workers.

It is undeniable that in our economy we must take a more direct interest in the field of manufacturing. Much could be done indeed to boost the number of jobs if we were more concerned with everything related to manufacturing.

A great number of raw materials could be finished in Canada instead of being exported unprocessed.

I will speak briefly, in order to allow other members to take part in the debate, but I will surely not miss the opportunity to repeat that my constituency is really in a disastrous economic situation. Indeed, almost 15 per cent or 25,000 or 30,000 workers in the St. Hyacinthe area are unemployed. It is the highest level of unemployment ever registered in my area. The distress and the hardship due to unemployment are of great concern to me as well as to a number of families.

I should like to appeal once more to the minister of Regional Economic Expansion (Mr. Marchand) and urge him to make of the region of St. Hyacinthe a designated area. Several of our plants have closed their doors, several others are now operating part time and some have to lay off many workers. Such a situation cannot continue. If we wish to attract new plants in the region of St. Hyacinthe, we must give it the same advantages as are enjoyed by the neighbouring towns liable to compete with it. It is therefore imperative that this region be classified as a designated area.

Mr. Speaker, I shall not say anything further, but I would like to repeat that we must at all costs solve this problem since our work-

ers will not always be satisfied with promises only. Concrete measures must be taken to help them and as their spokesman, I ask the government to do them justice.

[*English*]

Mr. Gillespie: Mr. Speaker, may I ask the hon. member a question?

The Deputy Speaker: Order, please. The hon. member may ask his question only with the consent of the hon. member for Saint-Hyacinthe (Mr. Ricard).

Mr. Ricard: I will accept a question, Mr. Speaker.

Mr. Gillespie: How would the elimination of the 3 per cent surtax help those who are unemployed? They are not taxpayers.

Mr. Ricard: I think the hon. member has had very little to do with unemployment. Before you can draw unemployment insurance you must have been an employee prior to becoming unemployed. When you are an employee receiving pay, the 3 per cent surtax affects you.

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, the recent conference of business leaders which was held under the auspices of the Prices and Incomes Commission has been heralded by the government as a conference on price stability. We in this party, and many other people in this country, believe that is a misnomer. It should more correctly have been called a conference on profit maintenance, because according to the communiqué and everything else we have heard, this was not a conference on rolling back the cost of living to lower levels or ensuring that it will not go up. According to the communiqué, the business leaders agreed they would reduce the number and size of price increases they would normally have made in 1970, but they made no effort to say they would not make price increases. They said they would help in contributing to a broad program of restraint, on certain conditions. I quote from the communiqué:

> —they emphasize that an indispensable requirement for the control of inflation is a comparable measure of restraint by wage and salary earners, by governments at all levels and indeed by everyone.

In other words, to put it in plain, simple English, they will not make as big profit increases this year as they normally would have done, provided everyone else does exactly the same in restraining any increases that they might be seeking. If that is worth heralding with loud hosannas, I don't think the people of this country are going to believe it. It amounts to very little. Even this they hedged about when they said "if called upon to do so". We have not heard any loud and clear calls going out from the government asking them to do so. We do not believe this amounts to anything very real at this stage. What the people attending the conference said was that if everybody else in the country will restrain themselves, they will agree to make less profit than they would have expected to make in the normal course of events.

This afternoon the Minister of Consumer and Corporate Affairs (Mr. Basford) expressed surprise. He said that we in this party had long been demanding the line of income and price restraint that we are now getting. He was surprised that we were now heaping scorn on it. I wish to again point out the difference between what we in this party have been seeking and what we have got. We have always said that voluntary restraint and moral suasion will not work, that there must be a complete, over-all income policy and not one for just one section of the population. We have on our side in this issue the Economic Council of Canada. The council has said that wherever moral suasion guidelines have been tried, they have failed. They have warned that this policy will not work in this country. I do not see why the government has the Economic Council to advise it and then flies in the face of its advice.

We in this party have always said that there must be a prices review board. Manufacturers and other business concerns intending to make price increases would have to justify them before this board. But what we are told in the communiqué from the Prices and Incomes Commission is that businesses have agreed to a formula by which there is no necessity for them to advise the government before a price increase is made, but that there may be a possible review after the increase. That is not what we have been asking for, Mr. Speaker. We want to see a prices review board with teeth in it, which would ensure that price increases were justified before they were made.

We have over and over again said that these reviews should be made in public so that the public would know what was going on. Instead of that, this communiqué states that the businesses have agreed to having these reviews made in secret. We believe, and

have stated many times, that where the taxpayers of this country have paid their money into government coffers for the use of government services, the government has no business fencing those services off from the public and carrying on their operations in secrecy.

• (8:50 p.m.)

This simply means that the government does not trust the public, that the government wants to do things which the public will not approve. The government adopts a "take it or leave it" attitude by presenting the public with a *fait accompli*. These are the points on which we take quite a different approach to that of the Prices and Incomes Commission.

In the fourth place, we have always said that all forms of income must be included in a prices and incomes policy. Instead, the government adopts a piecemeal approach by proposing to deal with business and labour as though they were the only sectors of the community. The previous speaker but one, and others, could hardly restrain themselves in their desire to get at the throat of organized labour. They have misquoted organized labour over and over again, not only in this debate but on other occasions. I should like to put on the record the position of organized labour as presented by the Commonwealth Press Association in Ottawa on October 15 last:

> Before labour will agree to any wage freeze it must be shown that the federal prices and incomes commission can halt rising prices, says Donald Macdonald, president of the Canadian Labour Congress—
>
> "We've prepared to sit down at any time, with any group, agency, or individual and seriously discuss an incomes policy.
>
> "But by an incomes policy we mean that all forms of incomes would have to be considered," he said.

These would include prices, profits, salaries, professional fees, rents, wages, interest rates and all other forms of income. I say, please, let this be the last time hon. members opposite are so anxious to go gunning for labour that they say wrong things about what labour has said. Organized labour has said it is willing to sit down and discuss an incomes policy, provided all forms of income are included in that discussion. But it is not prepared to be the whipping-boy of the government so that attacks can be made on wage increases gained by organized labour. Other sections of the community have secured far larger increases.

Fifth, we have always said that the government's piecemeal approach would not work, and we say so again. What does inflation mean in the lives of the majority of Canadians? We have been given what was described as the classic definition of inflation, but in the lives of the majority of ordinary Canadians inflation simply means that the cost of living is rising faster than their income to meet it. In far too many cases this condition is compounded by the utter disaster of unemployment which overtakes families.

We have been told in the past that in periods like this we have to choose between a rising level of unemployment and a rising cost of living. Under the gentle ministrations of this government we no longer have that choice: we have both conditions. We have a 6.1 per cent rise in unemployment, the highest level for two years, and the cost of living has been climbing at an accelerating rate for the past three years. In 1967 it climbed by 3.6 per cent; in 1968 it climbed by 4 per cent; in 1969 it climbed by 4.5 per cent; and it is still rising in 1970. Let me point out that during this period the government and its very similar predecessor government have been at the helm. Who are the victims of this inflation? They are the old, the ill, the people on low incomes and, yes, the low-paid employed.

Hon. members opposite have been telling us about the high fringe benefits received by some members of organized labour. I wonder whether they realize that the average gross income of workers in manufacturing industries in Canada, as of November, 1969, was only $5,723. I suggest that unless the income of hon. members opposite is comparable to $5,723, it ill behooves them to heave rocks at people who receive the fringe benefits they describe. No matter how many fringe benefits they receive, it would take between now and the millenium for them to come anywhere near in sight of the type of income enjoyed by many people in this country, those who have been complaining about inflation yet whom inflation does not hurt.

What is the position of our farmers today? They have unsold wheat on their hands. Even for what they can sell, cereal crop prices have dropped between 15 and 20 per cent during the last two years. While they are unable to sell their wheat, and the wheat that they can sell has dropped in price, the interest rates they have to pay have risen from 6 per cent to 9 and 10 per cent. The prices they have to pay for farm machinery have also risen steadily over the same period.

What has the government done to meet inflation at this time? Inflation did not begin yesterday, or the day before the Prices and

Incomes Commission held its conference of big business leaders. Let me tell the House a few of the things the government has done to beat inflation. They talked about voluntary wage and price restraints, but they did nothing when the Steel Company of Canada and other steel companies raised the price of steel by more than 20 per cent. The government was silent when International Nickel Company raised the price of nickel by 24 per cent. In fact, the government refused the demand of the United Steelworkers of America for a public investigation of these price increases.

Having established the automobile trade pact, the government still permits the automobile manufacturers of Canada to charge the Canadian automobile purchaser more than $200 per car over the U.S. price, even though the U.S. price includes additional shipping charges. At the same time, they handed a present of forgiveness to car manufacturers to the tune of $80 million worth of customs duties that the manufacturers should have paid. The new Transportation Act has given the railways greater freedom to increase freight rates, which have risen substantially. The banks have been freed of any restrictions and can now charge any interest rate they see fit. The sky is no longer the limit because interest rates have soared beyond the sky and into the stratosphere.

The government has also raised interest rates under the National Housing Act. Today's mortgage rates run from 9 to 12 per cent, a crushing burden on any worker who wishes to purchase a home. The government has taken no action to stop land speculators. Land costs in most metropolitan cities have risen over 100 per cent during the last decade. The cost of home ownership is beyond the reach of most hourly paid workers.

This is the record of the government up to this point in its fight against inflation in this country. Do you wonder, Mr. Speaker, that Canadians from coast to coast are sceptical about this gathering of senior business personnel who, in order to join in the fight against inflation, are willing to take a little less in the way of profit than they would had they not bowed moral suasion and restricted themselves? This is not fighting inflation. This is tokenism, and tokenism of the most revolting character in the eyes of the ordinary, decent-minded Canadian.

What are the proposals that the government should lay before the provinces next week? First of all, we say there is a need for a comprehensive prices and incomes policy, and that all sectors of the population should be represented. Has the government invited the people who are suffering from inflation to any conference to discuss what can be done to solve their problems? Not on your life! The only people who have been invited to conferences are those who suffer much less from inflation than the groups to which I have referred.

• (9:00 p.m.)

As I said earlier, forms of income should be considered in making prices and incomes policy. There has been objection to having control, selective or otherwise. Objections to controls come from the type of people and groups who say we are suffering from inflation. But these people are not concerned about individuals who suffer from inflation and who have seen the cost of living go up, up and up to the point where they are not able to live an ordinary and decent life.

In my city of Vancouver, during the Christmas recess I heard a welfare organization making representations to the city council. They asserted that the social welfare allowances were still at the level they were in May of 1965, while the cost of living had spiralled tremendously since that time. How can these people live? Injustice should not be frozen. Restraints should be placed on the increase in the cost of living. The 2 per cent ceiling on old age pensions must be replaced by an escalator clause. Why should old age pensioners be placed in a worsening position as a result of the cost of living today?

My colleague the hon. member for Regina East (Mr. Burton) pointed out, as far as he was able during the brief time at his disposal, what I want to mention very briefly at this time. We are not saying that these other forms of social benefit, including a guaranteed income, can be accomplished without an extension of the economic base. We have for years been urging that a Canada Development Corporation should co-ordinate and develop general economic policy in this country.

A few years ago the government was liberally-enough minded to believe that we might successfully introduce a policy of this kind. They talked about the establishment of a Canada Development Corporation for developing sources of income and revenue. But now the government says no more about establishing this agency. There are many things we could reduce in government spend-

ing. I cannot help remembering the expenditures made recently by this government, which were far from necessary. I cannot forget the Prime Minister's entourage of 17 people, at a cost of $306,165. When the former Prime Minister, Mr. Pearson, was in office he got by with seven people at an expenditure of just about half that amount, a total of $128,659. The Prime Minister before him, Mr. Diefenbaker, had three executive assistants, at a cost of less than $50,000.

If it is important that we curtail expenditures, we should begin here. The place to start restraints is right here in government. This has not taken place. As a matter of fact, if there had been restraint in this and other quarters we would not have had to spend $7 million on Information Canada this year, the agency for managing government propaganda so that the government will not receive all the lumps it would otherwise get, and deserves.

I have one more minute, Mr. Speaker. I have been watching the clock very carefully. I feel these things should be said. The establishment of voluntary price restraints is not the way to go about solving this problem. We feel the minister should make an effort to place restrictions by law in the proper areas. We need legislation to control the cost of living, as we need it to control traffic, garbage collection and any other sectors of our living where the public needs service and protection.

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): Mr. Speaker, I always listen to the advocacy of the hon. member for Vancouver-Kingsway (Mrs. MacInnis) with a great deal of interest and sympathy. Occasionally there are almost traces of onesidedness in her remarks. None the less, it is the most charming kind of onesidedness we have in this House.

Far from deliberately creating the crisis, as suggested in the motion before us, the very opposite has been the case as a result of government policies developed over the past year. The fact that the very opposite is true is reflected in the statistics. I will not deal at length with the statistics because they have been quoted and referred to by many other members during this debate. The fact is that the policies which have been pursued to date, far from creating an unemployment crisis—even though unemployment is too high—have had the opposite effect. Since the unemployment peak in September and October, the seasonal adjustment in respect of the unemployment rate in Canada has brought the rate down from about 5 per cent to about 4½ per cent.

If one looks at the raw statistics in respect of unemployment for January, he will see that they are roughly the same this year as they were for the last three Januaries. The statistics show that the level of unemployment was 6.1 per cent in 1968, 5.9 per cent in 1969 and 6.1 per cent in January of this year. The level is lower now than the tragic level of the early 1960s. In considering the statistics, I do not think a case can be made that government policies today have deliberately created unemployment to a crisis level. In fact, I think one could make a case that the heavy restraint policies of today have been maintained without creating unemployment levels to the point of crisis.

What are some of the components of this new mix of policies? First I refer to the creation of the Department of Regional Economic Expansion. This department was instituted six or seven months ago to bring together all the economic development programs and agencies used by various government departments. These have been put under a single department. As a result, there has been some progress in overcoming regional disparity and discrimination in respect of job opportunities. This has been a worth-while contribution to our economic growth; a great deal of success has been accomplished in this regard.

This department recently announced that in 1969 the rate of new job creation was more than four times that of 1968. If we follow the projects currently offered by the department, it is expected that about 22,000 new jobs will be created in the next year or two. This is evidence of an approach to traditional policies of economic and fiscal restraint by putting into position countervailing policies to create job opportunities in non-inflationary areas of the country.

• (9:10 p.m.)

Similarly, in the Department of Manpower the program to create manpower mobility and assist people to move from places of unemployment to places of greater job opportunity and acquire new skills has had some success in counterbalancing the toughness of current monetary fiscal policies. Other policies of fiscal restraint, for example the effort to cool-out some of the construction boom in certain provinces, have also been recently implemented. This is a new approach of having a

regional rather than universal impact to give protection to areas of slow growth which in the main are most vulnerable to national policies unless this kind of policy is adopted. The government's policy of restraint on its spending is another component in the better and newer mix of policies which helps prevent this total impact having perverse effects on unemployment.

The approach of the Prices and Incomes Commission is also a new approach. I think, rather than carping on some of the travails faced by the Prices and Incomes Commission we should welcome it because in my view it represents perhaps the most important new step in the over-all policy that this government has brought into being. I think it is clear why a more direct approach to prices and incomes restraint is necessary. It is clear, I think, because we have seen in the past two decades the limitations of monetary and fiscal policy in economic management.

It is true that monetary and fiscal policies have been directed more to overcoming periods of slack. They have not been so successful in other periods of inflation. The excessive use of monetary and fiscal restraint in the past has led to excessive levels of unemployment. These have been the perverse effects of escalating these two elements of policy. The missing element has been a more direct approach to prices and incomes. That approach is being attempted now, with some success.

I, for one, hope that organized labour will not stand aside from this effort to develop a national strategy of prices and incomes restraint. I think we can look, as we do, very sympathetically at the problems faced by organized labour in participating in this important exercise of restraint. It is obvious that organized labour does not have the strong central bodies which would enable it to enter into negotiations wherein it might take positions and hope to have those positions observed by local and regional bodies of organized labour. I do not say that in criticism of organized labour. This is one of the problems it faces. I would hope it would make an effort to strengthen the central bodies in the labour movement in order to participate effectively in the development of restraint, and indeed in the development of strategy with other groups in the economy.

We have seen in the past a lack of effective government leadership in the field of labour-management agreements. I do not think it is enough to ask labour and management to get together. The government must be involved in that process because it is a political process. It must do so in the common interest and ask important economic bodies in the country to adjust their individual interests for the common good.

My view is that this government has put itself in a central position to lead in that kind of negotiation. I hope organized labour will see a new environment, a new context and a new framework and will take part in this program more boldly than it now seems willing to do. There have been constitutional difficulties which have caused organized labour to hesitate. This government does not have all the constitutional powers necessary to carry through prices and incomes restraint on a controlled basis if controls are necessary.

I hope that at the federal-provincial conference, on the threshold of which we now are, a look will be taken at this constitutional limitation in an effort to overcome some of the difficulties in the field of rent control. Moreover, I think a point organized labour would wish to make in entering into negotiations for prices and incomes restraint would be that over-all social policy should be part of the context of discussion. I mean by that, things such as income maintenance, social security programs, medicare and an approach to a guaranteed annual income.

I think these are matters organized labour could bring into the negotiations and thereby make a contribution. I hope, with the possibility of enlarging the scope of these discussions, it will get in with both feet. In my view no group has a larger stake in the success of new methods of control and a new approach to economic management than the labour interest. To realize this one need only look at the estimated increase in the labour force of Canada. In the Economic Council of Canada reports one can look at the figures and see that in the 15-year period from 1965 to 1980—we are already a third of the way through that period—the labour force in Canada is expected to grow by 50 per cent; that is to say, by 3½ million persons.

If we put those 3½ million persons in a different perspective, we see the enormous challenge Parliament faces in respect of a successful economic policy. The addition of 3½ million people to the Canadian labour force in this period will equal the addition to the combined labour forces of Great Britain, West Germany and Italy. We will have as many additional workers here in this period as those three countries. This 3½ million people

will equal the total Swedish labour force. The employment of these people is one of the major challenges this government and Parliament faces in devising economic policies that will enable us to establish policies of restraint without turning down the economy.

In the past, the tools we had in fiscal and monetary fields succeeded only by going to the extreme and turning down the economy. In my view, the only way we can successfully approach this question today is with a prices and incomes policy as suggested here—a comprehensive policy of prices and incomes restraint. That is the policy the government is attempting to adopt.

It is true that if a voluntary restraint system, which is the first step, does not succeed, we must take another step—adopt more direct controls and seek constitutional authority, because such a policy would require federal-provincial agreement. But as much as anything we want to be assured that no important economic interest in Canada will not be part of the effort to make the policy a success, because if we fail there will be very serious consequences to employment and economic growth in this country. That is all the more reason why the program and the policies of regional economic expansion must succeed.

• (9:20 p.m.)

I was very interested in the remarks of the hon. member for Saint-Hyacinthe (Mr. Ricard) and the hon. member for Yorkton-Melville (Mr. Nystrom), who asked that more regions be designated. That may not be the proper approach, but surely it is one approach we must consider very seriously. The direct approach to prices and incomes, rather than an excessive use of other tools, is an absolute necessity in solving the serious problems which face us.

In my view, this requires that organized labour review the position that some parts of it have taken already. I agree with the hon. member for Vancouver-Kingsway that it would be silly, and indeed tragic to try to isolate the important labour interests in this country. The contribution which labour has made to our economic growth is very great and its participation in a debate of these problems is essential.

To induce labour to join in these discussions will require good leadership by this government. I think that has been given. This is why I think the motion before us suggests on the whole a hollow and outmoded approach, in fact a stereotyped approach to the questions that we face, except for the part which speaks of the need for a comprehensive prices and incomes policy.

In summary, I oppose the main purpose of the motion. I think it takes too narrow an approach. I think the government is developing a more effective mixture of policies which will mean that we will not have an unemployment crisis and we will be able to maintain, over a reasonable and necessary period, effective policies of restraint. In my view the maintenance of these policies of restraint over an effective period will achieve greater success if we adopt a direct approach to the problems of prices and incomes.

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, I will take only about ten minutes because a number of hon. members wish to get their points across. Having listened to previous speakers across the way take part in the debate since early this afternoon, there is only one thing with which I have been impressed; that is, the insincerity of their remarks. I listened to the hon. member for Etobicoke (Mr. Gillespie) and to the remarks of the Parliamentary Secretary to the Minister of Regional Economic Expansion (Mr. O'Connell), and I cannot understand how hon. members can stand in the House and make remarks about the employment situation with such conviction.

There is only one conclusion that I can draw, that is, that the quicker we allow television into the House to expose the hypocrisy which takes place here, the better off the Canadian nation will be and the more respect will be shown by members of this House for the electors in this nation.

I should like to speak for a minute about my reaction to the remarks of the Parliamentary Secretary to the Minister of Regional Economic Expansion. If I only say this, I will be satisfied that I have made a contribution to this debate. He spoke about the great programs under the Department of Regional Economic Expansion which will create employment in Canada. For example, he indicated that we should not worry too much about unemployment because it has remained at the same level. In fact, he is admitting that the just society has fallen flat on its face, and that unemployment has remained at the same level.

He did not say what the Minister of Manpower and Immigration (Mr. MacEachen)

said, namely, that we are better off and that unemployment has decreased. He said it has remained at the same level and that we have not achieved the great just society that was talked about so much. He said that the rate of job creation is four times as great.

I have in my hand two small documents from which I should like to quote. The first one is a report of the Department of Regional Economic Expansion for the period January 1 to January 31, 1970, on the operation of the Regional Development Incentives Act. There were 31 incentives given to industry. If I may be parochial for a moment, let me state that Newfoundland, it has been estimated, has an unemployment rate of around 22 per cent. This is the worst situation that has ever existed since I became a Canadian in 1949. It is a most distressing state of affairs, because I think we have gone beyond the stage of a recession in my province.

Every small businessman in Newfoundland is terrified. There are two types of people in my province: those who are unemployed and those who are terrified of becoming unemployed. The minister speaks about the programs instigated by his department. Let me state some facts. In January of this year 31 grants were made under the Regional Development Incentives Act. One went to Newfoundland, resulting in an estimated additional employment of 11 persons and a total input of $64,000. This is what the member speaks about. What a lot of nonsense!

Let me relate to the House some facts which it was impossible to get from the minister in answer to questions which have been asked of him, but which we have received as the result of the ingenuity of some hon. members in our party who added up the figures from reports which come out every month.

The following is the total amount of money which has been injected into the Canadian economy under the incentives program since it started, including the two announcements in February of this year: In British Columbia, $70,000 was granted under the regional economic incentives program; in Alberta, $1,200,000; in Saskatchewan—the hon. member for Assiniboia (Mr. Douglas) will want to take issue with this, and he has been up on his feet every day—not one cent has been granted; in Manitoba, $1,400,000; in Ontario, $350,000; in Newfoundland—the slow growth area of Canada—$215,000; in Nova Scotia, $137,000; in New Brunswick, $745,000; in Prince Edward Island—too bad the hon. member for Cardigan (Mr. McQuaid) is not here, because he would love to hear this—$15,000 was granted. I left Quebec to the last—you can draw your own conclusion from the figure—$13,454,094 was granted. These are the facts of the situation, and this is what the minister talks about when he refers to his great program.

Since the government's program of austerity has taken hold in Canada, it has been applied equally across the whole of Canada. Every single government department in my province has applied the same stringencies and restrictions as in the most progressive parts of Canada. There were two men in the Department of Transport in my town who had 24 years experience and who were laid off with nothing more than a notice telling them to put in their names at the manpower centre.

The Minister of Public Works (Mr. Laing) agrees that fishing facilities are necessary and economically justified, but he is sorry; there is no money for them. In dozens and dozens of places this is the excuse given to every member who represents the provinces of Newfoundland, Nova Scotia, Prince Edward Island, New Brunswick and in some cases, I imagine, Quebec, especially the Gaspé area.

The Department of Transport eliminated the passenger railway service in Newfoundland. They laid off the men who man the repair stations across the island, and they cut back 60 or 70 men in recent days. The Department of Indian Affairs and Northern Development has placed a restriction on the employment of casual workers in my province. No more has been made with regard to the Bonne national park which might employ a couple of hundred men. The Minister of Fisheries and Forestry (Mr. Davis) eliminated our sea fishery, which means that another 100 men are out of work. And we have 11 jobs created by the Department of Regional Expansion!

• (9:30 p.m.)

We have the same thing happening in the Post Office Department. The same kind of programs that the minister introduced to mess up the Post Office elsewhere in Canada have been implemented by him in Newfoundland. The biggest reason for this goes back to the Prime Minister (Mr. Trudeau). As far as I am concerned as a Canadian, this is the biggest problem we have. The Prime Minister of Canada has no feeling, no knowledge and no understanding of what it means to be unemployed and to live in a slow growth area. For

example, we have the Prime Minister talking about his great effort in regional development, and he has convinced other ministers. The greatest tragedy in our nation today is that the Prime Minister has made up his mind, regardless of the consequences of unemployment, that it is going to be the answer to inflation; and the saddest part of the story is that other ministers in this government—I notice the Minister of Finance (Mr. Benson) peeping through the curtains—have not the gumption to take issue with this kind of approach. Some members asked today, what are our suggestions? Right now any member from my province—and we have all done this—could stand up and in ten minutes tell the government of this nation the areas where I can go in and create hundreds of jobs. I can point out 15 or 20 areas in my constituency where it is economically feasible to create fishing facilities. I can give the Minister of Transport (Mr. Jamieson) proof positive of the need for a $2 million investment right in my own town of Gander. We can get no action on it, although the minister agrees it is justifiable. The Minister of Finance agrees that the fiscal policies of the government which are applied equally across Canada are having an adverse effect on my province and on the whole of the east coast. We should be getting about $10 million for national parks on the west coast of Newfoundland, but that is not happening.

With respect to the Minister of Manpower and Immigration (Mr. MacEachen), the men employed in his department's local office in Gander cannot make phone calls like they used to, because now they have a budgetary restriction on the number of phone calls they can make to the people in my riding. I have asked that department to make a special effort to send its officials out to the communities which have 40 per cent and 50 per cent unemployment. But they have not the manpower and, the money to travel, nor the money to make the necessary phone calls, let alone money for the programs which could upgrade the skills of these people and temporarily alleviate the effects of unemployment.

As far as I am concerned as a Canadian, unless we can get a modification in attitude on the part of the Prime Minister of our nation, there is only one simple answer; that is, that we must have a change of government. That may sound partisan. We can begin by having a change of prime ministership in Canada and go ahead from that and have ministers of the Crown, especially ministers from the east coast—we have a couple from there—who can take issue with the present starvation measures being implemented by the government.

If I had more time I could outline in detail some of the areas in which the government has no excuse for not moving on, other than that the Prime Minister has laid down a rule and he has the other ministers toeing the line. This is the biggest reason for unemployment in my part of Canada.

Mr. A. B. Douglas (Assiniboia): Mr. Speaker, for just a few moments I would like to speak about the unemployment situation in Saskatchewan, the province in which I was born and where I have always made my home.

An hon. Member: You are reading.

Mr. Douglas (Assiniboia): I am not the only one. Saskatchewan had a remarkably low rate of unemployment until the last few months, when it climbed above the national average. But high as it may be now, it is still deceptively low, because unemployed people and young people seeking jobs tend to leave Saskatchewan to swell the population and the labour force or the unemployment statistics in other provinces. This is not because we have had Liberal or NDP governments since 1934 in Saskatchewan, but because Saskatchewan people are adventuresome and willing to take chances—in other words, not Conservative.

Other factors contributing to our easy mobility are that our weather is harsh, although invigorating, especially in winter, and that it is not far to prosperous Alberta and B.C. to the west, or to prosperous Ontario and Quebec to the east. Not only that, but most of us have relatives, if not friends, in those provinces.

Mr. Woolliams: Would he hon. member permit a question?

Mr. Douglas (Assiniboia): When I have finished. As a result, Mr. Speaker, Saskatchewan's population has remained almost static for over 40 years. We have not even retained our natural increase. For example, in June, 1967, our population was 958,000. Last July it was 959,000, and it has gone down considerably since then.

This exodus, and the recent high unemployment in my area, are in large measure due to the decline in wheat sales and the consequent shortage of cash in the hands of the farmers.

Since the Prime Minister (Mr. Trudeau) appointed a minister with exclusive responsibility for the Wheat Board and the grain industry, some improvements in wheat sales are in prospect for the balance of this crop year and for future years. Prairie people expect a great deal of Saskatchewan's cabinet minister, and I know he is putting tremendous effort and determination into his arduous task. I am sure that all prairie farmers, and I hope all Members of Parliament, wish him well.

Saskatchewan is in dire need of more industrial development to provide jobs for our young people and for the people who cannot make a living on our farms. It was very gratifying to learn that at least part of Saskatchewan has been designated as eligible for industrial development grants. I am at a loss to understand why the whole province was not designated as was Manitoba, including the city of Winnipeg. Regina and Saskatoon were left out. The only reason I can think of is that the decision must have been based on statistics which were two or three years old. But even in those areas which have been designated, progress toward industrialization is very slow. As the hon. member for Gander-Twillingate (Mr. Lundrigan) mentioned—and this is an example of what opposition speakers do—there have been very few grants paid to Saskatchewan; but he picked out one month and said that therefore Saskatchewan had no money assigned to it under the regional incentive grants program. The facts are, Mr. Speaker—

Mr. Lundrigan: On a question of privilege, Mr. Speaker, the hon. member is giving false information to the House, because Saskatchewan has not received a cent since the inception of the legislation. The hon. member should know that.

The Acting Speaker (Mr. Béchard): Order, please.

Mr. Douglas (Assiniboia): The fact is that Saskatchewan has had at least two projects approved, but I am not sure whether the money for them has yet been paid. The hon. member was quoting statistics for one month only. To my knowledge only one or two small projects have been approved. Other possible projects are being held up for what seems to be an unnecessarily long time, awaiting the agreement of the federal government. I appeal tonight to the goverment to extend the area eligible for assistance and to speed up action on applications now pending.

But what about the unemployed people who leave Saskatchewan? They have been given to understand that the Department of Manpower and Immigration will assist them and their families to move to places where employment is available. However, some of my constituents are having difficulty in getting this assistance. One man with a large family was laid off in Saskatchewan. He is an industrial welder. At his own expense he went to B.C. and found work and worked for a month to make sure that both he and his new employer were satisfied. This having been accomplished, he went back for his family. When he tried to obtain the moving assistance, he was told that a position as a welder had just materialized in Saskatoon and therefore he was not eligible for assistance to move to B.C. This matter was finally straightened out to the satisfaction of this former Saskatchewanite who now lives, works and votes in British Columbia.

• (9:40 p.m.)

Tonight I received a telephone call from another Saskatchewan man who had moved from Moose Jaw to Alberta to take a job. He is having the same kind of difficulty. I hope he eventually gets the help he deserves. I ask the officials in charge of manpower service to administer these programs more liberally. Let's stop throwing roadblocks in front of these enterprising people who get out and find jobs for themselves.

Mr. Speaker, I would like to express my never-ending wonder at the ability of the opposition to level such blanket condemnation at the government without making any real contribution by proposing practical solutions to the problems they describe so eloquently and in such exaggerated terms. I also marvel at the tactics of the opposition. They seem to assume that all they need do is repeat something long enough, and enough times, and people will believe it. In spite of repeated denials by those in a position to know, the opposition still insists that there is a deliberate policy to create unemployment.

Some hon. Members: Hear, hear!

Mr. Douglas (Assiniboia): This is patently ridiculous, Mr. Speaker. No government, not even the previous Conservative government, would be so foolish as to adopt such a policy. The facts are that some unemployment is the unfortunate, unwanted and lamented by-product of the only methods available to the government in the fight against inflation.

Unrestrained inflation would cause much more suffering and, eventually, much more unemployment than we are now experiencing. Our Prime Minister and others in the cabinet are doing everything possible to get voluntary restraints which would control inflation without imposing excessively harsh fiscal and monetary policies.

I hope that current negotiations for voluntary restraints are successful. All Canada will be watching anxiously next week to see whether the provincial governments will co-operate in these voluntary restraints.

An hon. Member: Pass the buck.

Mr. Douglas (Assiniboia): The people in the prairies will accept price and wage controls, I believe, if the voluntary system does not soon prove successful.

Mr. Woolliams: I wonder if the hon. member would permit a question, Mr. Speaker? I think the hon. member will admit that there is unemployment and distress in Saskatchewan. Would he mind explaining to the House why it is that two or three years ago the largest grain exporting nation in the world was Canada, and now we are in fifth place?

Mr. Douglas (Assiniboia): Mr. Speaker, the hon. member who asked this question seems to know all the answers to other things. He should know also that many countries in the world have increased their production of wheat. The production of wheat throughout the world has increased tremendously and many countries, once importers of Canadian wheat, are now themselves exporters of wheat. He knows this as well as anyone in this House.

Mr. R. R. Southam (Qu'Appelle-Moose Mountain): Mr. Speaker, I have been very interested to listen to the remarks of my neighbour from Assiniboia (Mr. Douglas). When he comes into the House he reminds me—

An hon. Member: Of an apple polisher.

Mr. Southam: —of Mr. Clean on his white charger who is going to fix up everything in this country with his recommendations. I wish he would impress the cabinet with some of his suggestions. If he did, we would not have this situation in Saskatchewan today. I rise to lend my support to the motion condemning the government—

The Acting Speaker (Mr. Béchard): Order, please. The hon. member for Assiniboia.

Mr. Douglas (Assiniboia): Mr. Speaker, I was wondering if the hon. member for Qu'Appelle-Moose Mountain (Mr. Southam) would mind reading a little louder. I can hardly hear him.

Mr. Southam: Thank you; I shall. I rise to lend my support to the motion condemning the government policies which have deliberately created unemployment up to a crisis level, thus placing the country in danger of a recession, and which have failed to stop the rapid and continuing increase in the cost of living. This House therefore calls for the immediate implementation of full employment measures and a commitment to a comprehensive prices and incomes policy.

In Saskatchewan today we are faced with the most serious economic situation we have been confronted with since the hungry thirties; I would not be exaggerating if I said, in our history. Not only have we a most serious and depressed situation in our agricultural industry, but for the first time in many years we have one of the highest rates of unemployment of any region of Canada. At one time, happily, we were rated as one of the "have" provinces but now, thanks to the policies or lack of policies of the federal government, we have again slipped back to the embarrassing category of a "have not" area of Canada.

Unemployment in the agricultural sector of the Saskatchewan economy has greatly increased as a result of the Liberal government's apparent policy of supporting the principle of providing cheaper food for Canadians at the expense of the producer. During the past year and more recently, another cause of unemployment in the prairie region has come to light. I am referring to the proposal of Canadian Na'ional Railways to implement their master agency plan all the way from the Lakehead to the Alberta boundary. This concept, developed through technological advances in recent years, is designed to concentrate the various services usually available in hundreds of stations along the CNR lines over past years into a few large urban centres, and is slated to become effective on April 1, 1970.

For the sake of the record I would like to list a number of the services that our citizens have had available to them over the years and are now to be denied. They include rail

passenger service, local incoming and outgoing l.c.l. shipments, travel advice, ticket service, telegrams, box car orders for moving grain, express service, express money orders, etc. Now all these services are being taken away from our rural people. Besides these facts, the agent and his wife and family who have always been an integral and important away from our rural people. Besides these communities are having to move.

Now we are faced with the horrible prospect of hundreds of agents and their families being plucked from their homes and normal job environment, many of them not having been assured of work in another part of the system, not to say anything about the inconvenience and cost that will face the thousands of Canadians living adjacent to or in the towns and villages that will be affected by this plan. None of us wants to close his eyes to the advantages of technological advances in our society, but coupled with this goes the responsibilities of those in authority to see that human suffering is prevented and that sociological upheavals do not take place.

A few years ago we spent many days in this House and in committee developing the new transport act, and we established a new body called the Canadian Transport Commission headed by the often referred to czar of transport, Hon. Jack Pickersgill. During those debates and deliberations we were led to believe and to hope that we had reached a sense of rationalization in all matters related to transportation. But what do we find today, particularly in western Canada which is a captive market? We find service cut-back, we find highly increased freight rates, we find many applications for rail line abandonment, and now last but not least, this master agency plan set out by a government-owned company to greatly reduce service. At the same time the company appears so heartless as to place many of its faithful servants in the ranks of the unemployed.

What is the answer, Mr. Speaker? The basic solution is to have our government, advised by its ministers of transport, labour and manpower and immigration, step in and insist that the CNR slow down the pace of this plan and allow these things to take place by normal attrition.

I have many pieces of correspondence on file from station agents and top officials of labour unions representing station agents and others affected. I do not intend to name these agents who have written to me, but I want to quote for the record a statement made by one of them who has to face his customers day after day. This is indicative of the mood of people in the west. He wrote:

> Everywhere I go people come up to me and say: "What has happened to railway management, have they gone out of their minds or have they no regard for the problems of the west?" It is a hard question to answer but it is a problem that must be dealt with now before the situation turns to violence.

• (9:50 p.m.)

Communications have been taking place for almost a year now between officials such as Mr. T. B. Goodwin, general chairman of the Communication Employees Union, and railway officials such as Mr. F. E. Easterbrook, vice-president of T-C Division, Montreal; Mr. W. T. Wilson, vice-president, Montreal and Mr. J. L. Cann, general manager of the prairie region, all emphasizing the seriousness of the upcoming problem and all suggesting a slowdown of the inception of this program and advocating the normal process of attrition.

In conclusion, Mr. Speaker, I wish to point out that I have already brought this problem to the attention of the government on several occasions, as the record will indicate. I again want to refer to the importance I place on the government defending the costing formula that was developed by the Canadian Transport Commission and which is presently being contested by Canadian Pacific Railway before the Supreme Court of Canada.

Naturally, I must join with my many colleagues who have spoken in this debate in strongly condemning the government's policy of fighting inflation by creating unemployment, which in turn creates human misery and suffering. I also support the position that my colleague, the hon. member for Central Nova (Mr. MacEwan), took this afternoon on the question of post offices across Canada. In this area, again, the government is imposing a heartless program on the small rural communities and people living in them. This applies to Saskatchewan as much as to Nova Scotia. There are hundreds of small hamlets and towns dotting our rural scene, each with its post office, postmaster or postmistress. The post office is central to these communities. the government's heartless policy of closing many of these small post offices is causing much unemployment.

The hon. member for Gander-Twillingate who spoke before me pointed out the failure of regional incentive programs in Saskatchewan. The province has not benefited as much as it should from such programs, as the hon.

member for Assiniboia (Mr. Douglas) suggested. Proposals have been made, but no money has been forthcoming and no job opportunities created to ease the job situation in our western area. So I ask, Mr. Speaker, where is the just society in a situation such as this?

[*Translation*]

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the opposition motion put forward by the New Democratic party and now under study strikes me as basically ill-founded, especially because of the exaggerations it contains.

On the one hand, the government is accused of having deliberately caused economic ills such as unemployment, recession and inflation—as if a government could want such things to happen—and, on the other hand, it calls for the adoption of measures guaranteering full employement, and the application of a comprehensive prices and incomes policy.

To my mind, the motion does not make much sense, and once again, as always, we see that it is extremely easy to accuse, to criticize, and to request instant remedies to all evils, but much more difficult to suggest concrete, realist, practical and efficient steps, for instance, to check inflation, reduce unemployment and keep industrial production from decreasing.

The speeches made today by the members of the opposition contained no solution capable of solving the present economic problem which, besides, is not the monopoly of Canada, but exists as well in all industrialized countries, at least in the free world.

Canada is now faced with a number of economic problems but they are not as serious as in some other countries. The provincial governments could follow the example of the federal government and meet its suggestion by restricting their expenditures and by wholeheartedly contributing to the war against inflation. Were the big companies and other bodies also willing to co-operate, I am sure that the economic situation would improve and that confidence would be restored for, basically, our economy is sound.

We can rely on large natural resources and if we can manage to go on selling our products at competitive prices, Canada will go on expanding just as it has for the past few years, under the Liberal leadership.

Indeed, for the past seven or eight years, we have witnessed progress unprecedented in our history. During that period, Canada has demonstrated that it had grown into an industrial power. It has become one of the greatest trading nations of the world.

In the field of exports, for instance, our performance has been astonishing. From $5.2 billion in 1959 our exports have increased every year to $14.5 in 1969. This means an increase of 180 per cent over a 10-year period. If we want to get an idea of the progress made, we simply have to remember that our exports increased by 30 per cent only in the '50's which were considered quite good years.

This is due mainly to the action of this government. I will mention, for instance, the auto pact with the United States which led to better co-operation between the government and the industries, and to a better promotion of the finished products. An outstanding achievement in 1969 was the legislation introduced by the Minister of Industry, Trade and Commerce (Mr. Pepin) which led to the setting up of the Exports Corporation which provides new services for the promotion of exports.

To keep our markets, we have to remain competitive with other countries and curb inflation which remains at the present time the main problem facing Canada. The constant rise of consumer prices has not left unconcerned the federal government which is conscious of its role and its responsibility in that respect. It particularly looked after those on a fixed income as, for instance, those getting a pension or retirement benefits.

[*English*]

The Acting Speaker (Mr. Béchard): Order, please. It being ten o'clock, it is my duty to inform the House that pursuant to Standing Order 58(11) the proceedings on the motion now before the House are deemed to have expired.

PROCEEDINGS ON ADJOURNMENT MOTION

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

POLLUTION—CHEDABUCTO BAY—DEVELOPMENTS FOLLOWING GROUNDING OF TANKER "ARROW"

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, if Aristotle Onassis were to visit Nova Scotia at this moment, he would neither

be admired for his collection of coloratura sopranos and other interesting women nor applauded for finding a haven from the tax the rest of the world must assume—the income tax. Instead, I suggest that if Mr. Onassis were to visit Nova Scotia he would be boiled in low-grade bunker oil because the wreck of his ship will probably cause a greater disaster to Canada than the *Torry Canyon* caused to British beaches a number of years ago.

My concern in raising the matter of the *Arrow* this evening is that what happened, happened not only in one part of the country but could happen in another part of Canada. For example, if the *Arrow* had gone aground on the shoals on the west side of the entrance to Halifax harbour, that port would have been tied up for months and possibly years. The same could have happened in Saint John, or the St. Lawrence River, for that matter. We are met with a very serious situation and I think that three points particularly have to be considered.

• (10:00 p.m.)

First, the weather was reasonably calm for February at the time the accident occurred. At that time, when remedies might have been available which would work in calm water, it was necessary to spend the time deciding exactly what should be done. I do not think it is unreasonable to suggest that the government and the Minister of Transport (Mr. Jamieson) in particular have a duty to have plans available for emergencies such as this. They have been developed elsewhere in the world in great abundance. Why did Canada not have a plan? Instead, we were faced with rather ridiculous experimentation. I say "ridiculous" because it should have been known exactly how to ignite fuel such as is aboard the *Arrow*. When the Leader of the Opposition (Mr. Stanfield) made his point about planning, I thought it was a very sensible suggestion.

On the day following the grounding of the *Arrow* the minister said there was no major threat at that time. Yet all the elements were there to cause a holocaust and disaster. My second point concerns regulations and control. The minister said, as recorded at page 3358 of *Hansard:*

> I am not at all sure any regulation would have, in fact, changed the situation.

I suggest there are a couple of regulations which could have, in fact, helped to avoid the *Arrow* disaster. There could be a requirement that ships such as the *Arrow* use certain shipping lanes. I also suggest that they have Canadian pilots on board so that captains and crews could not sneak along a coastline with which they are not familiar, short-cutting, when they are carrying a lethal load.

Some hon. Members: Hear, hear!

Mr. McCleave: I believe these two suggestions could very well have been part of the regulations. Then if the regulations were not adhered to, the ship could be prohibited from touching any Canadian port. My third point deals with navigational aids. The hon. member for South Shore (Mr. Crouse) mentioned the possibility of installing radar reflectors. In January of this year I placed a question No. 835 on the Order Paper, dealing with an apparatus known as radar transponder beacons. These cost very little, yet they greatly improve navigational safety. We received a very curious answer from the Minister of Transport who was not very definite as to whether the buoy that was supposed to be on duty had been removed. I would think that would be a point of information that would be pretty obvious, but the minister seemed to hedge on his answer when pressed on the point by the Leader of the Opposition.

Yesterday the minister stated that the situation was slightly more under control. Wihin a matter of hours the stern section of the *Arrow* settled down into deep water even with the assistance of three tugs which were trying to keep it afloat. The situation of horror has now been compounded. I talked to Nova Scotians when I was home last week end. Some of them were absolutely white in the face, particularly those from Cape Breton, because the Cape Breton shoreline is the immediate target of this disaster. They were absolutely white with rage that such an incident could be allowed to happen in a civilized country.

• (10:10 p.m.)

Heaven only knows, Mr. Speaker, how long it will take to cure this situation. I imagine it will be decades before life along that shoreline returns to the situation that existed before the *Arrow* grounded itself a week ago. I suggest that when the immediate crisis is over there must be a public inquiry by the best commissioner that can be found. He should be given the widest possible terms of reference; the public conscience will not stand anything less.

In the immediate future we should apply ourselves to such cleaning-up tasks as bringing in legislation to impose proper penalties on both the carrier, in this case Mr. Aristotle Onassis, and the supplier of the cargo, Imperial Oil. I think the supplier has a duty not to put his cargo into just any ship that is passing through. He must be responsible for seeing that the highest standards of seamenship are practised on the vessel, and that every possible care is taken so that the ship will operate as if the lives of Canadians were at stake. I am exasperated and I cannot—

The Acting Speaker (Mr. Béchard): Order.

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, I am sorry that the Minister of Transport (Mr. Jamieson) is not here tonight, but I wish to inform my hon. friend that according to my information the minister is leaving almost immediately for Halifax, Nova Scotia, to make a personal inspection of the scene and to conduct his own inquiry into how the accident happened.

I also undertake to bring to his attention the suggestion made by the hon. member in regard to navigational safety. I wish to inform the hon. member that while the policy of providing adequate navigational aids for the conditions which prevail along our coast is not being re-examined at this time, the effectiveness of navigational aids in all ports is under continuous review. Where changes in traffic or other conditions dictate the need, aids as required will be provided.

[*Translation*]

NATIONAL FILM BOARD—RECONSIDERATION OF ORDER LEVYING CHARGES FOR USE OF FILMS

Mr. Gaétan-J. Serré (Nickel Belt): Mr. Speaker, yesterday I asked in the House an important question concerning the National Film Board's decision to set charges for the use of their films.

I raised this question because I feel as, indeed a number of institutions and educators do, that as a result of this decision a great many citizens, and specially young people, will be deprived of this valuable service.

To warrant its decision, the National Film Board gives the following reasons: first of all, the austerity program which prevails in the country; secondly, those who benefit from government services will be called upon to assume a larger part of the cost of these services; thirdly, a better service must be offered to the public.

In the light of these arguments, I look upon this decision unfavourably.

First of all, there is the austerity program. I do not question in any way the necessity of that policy at this time. However, its implementation must in my opinion be based on sensible priorities whereby essentials must take precedence over superfluity. I think that the same austerity policy should not be applied with respect to the education of young Canadians in the same way that it may be applied, for instance, with respect to the closing of some useless embassies.

According to the National Film Board, those who benefit from its services must meet a larger part of their costs. In the context of a just society, this notion when applied literally is totally inconsistent. Thus those who receive social welfare allowances are certainly not the ones who will bear the lion's share of the cost. The same goes for many other services. As a rule, people who benefit most from services are often those who can least afford to pay for them. The field of education is certainly not an exception.

Finally, the National Film Board believes that it will be in a position to offer better services if it imposes a fee for film rentals. Yet, the services it gave before were excellent.

I fail to understand how fees—rather high in certain cases—will better the service. A service is not improved by making it harder for those who want to use it or even by penalizing those who benefit from it.

In my opinion, Mr. Speaker, this decision of the NFB will destroy everything that has been accomplished so far. The use of films as teaching aids is rather recent. Although their convenience had been demonstrated during World War II, it took many years for the teaching profession to be convinced and to learn to use them. In addition, a great effort was needed to prove the value of this aid to school boards and to induce them to provide the funds necessary to buy projectors.

In short, it was necessary to launch an overall program in order to have this teaching aid known and appreciated as well as to make it efficient. Charging rental fees would break teachers of the good habit of using audio-visual aids. With the expenses this would involve, would it really save money?

The NFB is well known for the quality of its productions. Over the years, a cultural wealth which is difficult to assess fully has been put on film. For the sake of an austerity

policy, can we allow this cultural spring to dry up at the very time when Canadians are more and more aware of the need to know their country and their neighbours better?

Rental fees will result in additional annoyances for the organizations and school boards concerned. These fees will first have to be provided for in the budget; then the films will have to be shown on precise dates so as to avoid extra expenses. This program will therefore have no flexibility. Lastly, it will mean extra work for the administration. I feel that the savings anticipated from the carrying out of this new policy will not compensate for the inconveniences resulting from this decision.

So that Canadians may continue to take full advantage of a service necessary to their utmost fulfilment, I urge the Secretary of State (Mr. Pelletier) to make representations to the National Film Board in order to get its directors to reconsider their decision.

Hon. Robert Stanbury (Minister without Portfolio): Mr. Speaker, I congratulate the hon. member for the interest he has shown in the NFB, a very important Canadian institution. I am sorry that I cannot add much to the answer given yesterday by the Secretary of State (Mr. Pelletier) during the question period. It is of interest to note what Mr. Saumier had to say on the matter in his recent report, and I quote:

> The self-financing experience carried out with regard to the film-library appears worthwhile; an analysis of the results of this experience will show whether it is possible to make this field of activity more self-sustaining.

However, the Secretary of State said yesterday that if new factors had to be taken into account, this decision of the NFB might be amended.

I thank the hon. member for his comments and his useful suggestions which will be taken into serious consideration.

[*English*]

Motion agreed to and the House adjourned at 10:17 p.m.

APPENDIX

February 10, 1970

CLOSING STATEMENT OF THE NATIONAL CONFERENCE ON PRICE STABILITY

The National Conference on Price Stability, called by the Prices and Incomes Commission, met in Ottawa on February 9 and 10. It was attended by senior officers of national business and farm associations, representatives of professional groups, leaders of a broad spectrum of the Canadian business community and observers from the federal and provincial governments.

The Canadian business community had previously demonstrated its willingness to exercise a meaningful degree of restraint in pricing policies in 1970 through proposals made to the Commission by the Canadian Chambre of Commerce, the Canadian Manufacturers' Association, the Retail Council of Canada and the Canadian Bankers' Association.

While the groups represented at the Conference are prepared to take an initiative as a contribution to a broad program of restraint, they emphasize that an indispensable requirement for the control of inflation is a comparable measure of restraint by wage and salary earners, by governments at all levels and indeed by everyone.

There was broad agreement among those attending the Conference on the following:

(a) Business firms generally, if called upon to do so, would reduce the number and size of price increases they would normally make in 1970.

(b) More specifically, where higher prices are needed to cover higher costs, and market conditions made them feasible, business firms generally, if called upon to do so, would ensure that price increases were clearly less than the amount needed to cover the increases in costs at a normal volume of output and sales.

(c) The Conference recognizes that domestic price criteria should not be applied to goods sold mainly in export markets. The Commission will keep the position of export industries under review and if it finds that developments in some of these industries are impairing the general price restraint program, it will seek appropriate solutions to the problems.

(d) Business firms would be prepared to co-operate with the Prices and Incomes Commission in such price reviews as it might decide to conduct (a brief outline of the proposed review procedure is appended).

(e) The Conference recognizes that over most of agricultural production farmers do not have any significant discretion over the level of prices they receive. The representatives of agriculture present agreed that in the narrow range where the marketing system permits some price discretion, farmers, if called upon to do so, would act during 1970 in accordance with the general pricing criteria and procedures.

(f) Specific commitments have already been given by the chartered banks for 1970 not to increase their existing schedule of service charges in Canada. They have also undertaken not to increase interest rates charged on Canadian dollar loans in Canada, except to the extent of any corresponding percentage point increase in the rates payable on Canadian dollar personal savings deposits. Trust and mortgage loan companies have agreed not to increase the existing spread between their prime mortgage lending rates and the highest rates paid on their term borrowings, and to refrain from increasing existing service charges on savings accounts. Representatives of life insurance companies, credit unions and other types of financial business affirmed their full support for the Commission's restraint program, and agreed that the principle that price increases should be held within cost increases should apply in their own operations.

(g) That professional groups would be prepared to participate in a broad program of price restraint and to recommend to the provincial associations that they postpone or limit increases in existing fee schedules for professional services during 1970.

(h) Representatives of the transportation, telecommunications and utilities industries endorsed the Commission's general criteria for price restraint. As a positive expression of co-operation, the members agreed to provide the Commission with thirty days' notice of any intent to increase general rate schedules.

(i) The general merchandise sector of the retail and wholesale trades in determining pricing policies during 1970 would undertake not to increase initial markups on its various merchandise categories unless realized profit per dollar of sales would fall below that of

the base period. In such cases increases in markups would be sufficient only to restore returns to the level of the base period.

(j) The grocery sector of the retail trade in determining pricing policies during 1970 would undertake not to increase initial markups unless realized profit per dollar of sales, calculated on the volume of sales carried on over their entire operation would fall below that of the base period. In such cases increases in markups would be sufficient only to restore returns to the level of the base period.

(k) It is recognized that costs have been advancing particularly rapidly in most sectors of the construction industry and that special steps are needed by all concerned to reduce the rate of increase in these costs, including efforts to level out the flow of construction work. The representatives of the construction industry agreed that individual firms in the industry if called upon to do so would during 1970 absorb a proportion of their increased costs in accordance with the general pricing criteria.

Outline of Proposed Review Procedure

The price reviews are intended to ensure that the revenues produced by a price increase are less than the increases in costs that led to the price change, unless the increase in price is needed to improve a demonstrably inadequate rate of return on capital investment. Reviews will not be broad studies but will concentrate solely on compliance with the proposed pricing criteria.

The Commission is to be informed as soon as possible about any major price changes, but approval by the Commission in advance of the change in price is not necessary, and would not in general be practicable. The reviews will be conducted by a qualified staff of senior government officials and business executives who will be working with the Commission on a temporary basis.

Information needed to determine relevant revenue and cost changes will be requested by the price review staff in private meetings with the firm or firms involved. Actual operating records will be requested in most cases. Assistance in analysing data will be sought from firms but any conclusions reached will be made by the Commission as an independent body.

One of the main reasons for conducting price reviews on a detailed basis is to sort out cost changes arising from a change in the volume of sales from those due to a change in the price of inputs. The year 1969, or the nearest fiscal year, will in general be used as the base year when considering changes in costs and revenues. In cases where this would be clearly inappropriate, a suitable alternative base period would be selected.

During 1970 some firms may well experience unit cost increases as a result of a temporary decline in their volume of sales or output because of adverse market conditions. Such cost increases cannot be regarded as automatic justification for an equivalent price increase. On the other hand, some firms will experience unit cost decreases as a result of increases either in the volume of sales or in efficiency. In these cases, firms are expected to pass on some of the cost savings in terms of lower prices. The price review teams will attempt to decide what is reasonable price behavior in response to unit cost changes brought about by changes in volume. Consideration will be given to both the size and the likely duration of the "abnormal" sales volume.

Because of the care with which the price reviews must be made, it is proposed to concentrate them on important price increases by major firms and by market leaders in smaller markets. Some additional reviews may also be undertaken of less important price increases reported to the Commission by customers or other interested parties.

HOUSE OF COMMONS

Friday, February 13, 1970

The House met at 11 a.m.

[*Translation*]

PRIVILEGE

MR. VALADE—MONTREAL POSTAL DISPUTE—LACK OF INFORMATION FROM POSTMASTER GENERAL

Mr. Georges Valade (Sainte-Marie): Mr. Speaker, I rise on a question of privilege.

I am sorry the Postmaster General and Minister of Communications is not in the House to express his opinion on the question of privilege, but I appeal to you, Mr. Speaker, and ask you to rule on this matter I consider most important. My question of privilege relates to the right of members to get information from ministers, a right which should not be restricted.

The Postmaster General and Minister of Communications yesterday refused to give the House information on the activity of post office in Montreal and the decisions which the government is considering in this connection.

My question of privilege is based on two quite specific reasons. In the first place, the Postmaster General and Minister of Communications as well as the government refused yesterday to accept a motion seeking to defer to the appropriate committee the problem of the serious crisis in the field of mail delivery in Montreal. In the second place, the minister has explicitly refused to ask the consent of the House to return to motions, in order to tell the House about the decisions taken by the government concerning the possible settlement of the problem created by mail delivery in Montreal.

Now, after that explicit refusal, the minister granted an interview in both languages on C.B.C. television. I believe this is a prima facie case of privilege, since the minister flatly refused to give the House the information which he gave later on television.

I think this Cabinet is going too far and that such an attitude may well lead to autocracy, which is more and more annoying and unbearable for hon. members who are entitled to be kept informed by the government.

In view of the fact that the trend is becoming generalized, I felt I had to rise to defend the right of hon. members to be kept posted by the government on its decisions, and pursuant to standing order 43, I move, seconded by the hon. member for Halifax East Hants:

• (11:10 a.m.)

That the Standing Committee on Procedure and Organization be directed to study the following question: whether a Crown minister may refuse to reply to questions concerning the responsibilities of his department addressed to him in the House and then proceed to supply such information to mass media.

Mr. Speaker, I hope the House will consent unanimously to have the matter referred to the committee since for a long time members of all parties have been complaining that ministers refuse to reply to their questions here in the House and later make comments on television or to the press.

Mr. Speaker: The hon. member for Sainte-Marie, has given notice to the Chair, pursuant to Standing Order No. 17 (2), of the question he wished to raise in the House.

I must however draw his attention on the fact that the notice he has given to the Chair is in relation to a question of privilege pursuant, as I said, to Standing Order 17 (2).

The hon. member now wants, within a question of privilege, to propose a motion pursuant to Standing Order 43. It seems to me that this is somewhat irregular. This kind of motion should be made on motions, as the hon. member did yesterday.

As for the question of privilege, that is, inasmuch as the Chair has to decide whether that question actually is a question of privilege, may I once again remind the hon. member that on several occasions, during this session and the preceding ones, the same controversial matter has been submitted to the Chair. On each of these occasions it was decided that even if a member has a grievance—however legitimate—in the sense suggested by the hon. member, it cannot be considered as a question of privilege.

A point very similar to the one raised today by the hon. member was submitted for consideration by the House a few days ago, Wednesday, February 11, as shown on pages 3465

and 3466 of *Hansard*. The Chair ruled that there were no grounds for a question of privilege. I think I should bring the attention of the hon. member and all other hon. members to Citation 181 of Beauchesne's *Parliamentary Rules and Procedure*, 4th Edition, which would indicate that a grievance such as that raised by the member cannot be the object of a question of privilege.

I must therefore inform the hon. member that there is no prima facie question of privilege and that I cannot agree with his suggestion to the effect that his motion be introduced immediately. I regretfully do so, because the hon. member has raised an interesting point. However, another way more consistent with Standing Orders should perhaps be found so that the matter he has dealt with be considered by one of the committees of the House.

[*English*]

ROUTINE PROCEEDINGS

FINANCE, TRADE AND ECONOMIC AFFAIRS

Eleventh and twelfth reports of Standing Committee on Finance, Trade and Economic Affairs—Mr. Gillespie.

[*Editor's Note: For text of above reports, see today's Votes and Proceedings.*]

ORAL QUESTION PERIOD

THE CANADIAN ECONOMY

INFLATION—RENT CONTROL AND PROFESSIONAL FEES—ACTION AT FEDERAL-PROVINCIAL CONFERENCE

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I should like to ask the Prime Minister whether it is the intention of the government at the forthcoming federal-provincial conference to seek action with respect to rent controls and a freeze on fees for professional services? Will this be considered on the provincial or the federal level or on both levels?

Right Hon. P. E. Trudeau (Prime Minister): All these questions concerning inflation, raised both on the initiative of the federal government and as a result of recommendations or advice received from the Prices and Incomes Commission, will be discussed by both levels of government, and we will seek to act in a co-operative fashion.

[Mr. Speaker.]

Mr. Baldwin: I have a supplementary question, Mr. Speaker. If the government is successful in achieving any of the results it desires with respect to the conference and action on the part of the provinces, will such action require legislative approval by Parliament or by the provincial legislatures? If so, and in view of the rather hopeless answer I received from the Minister of Justice the other day—

Mr. McIlraith: That is a gratuitous comment.

Mr. Baldwin: —is any consideration being given to drafting legislation?

Mr. Trudeau: It began as a hypothetical question, Mr. Speaker, and remained that way.

INFLATION—CONSULTATIONS WITH PROVINCES ON PROPOSED CONSUMER CREDIT CURBS

Mr. James A. McGrath (St. John's East): Mr. Speaker, I wish to direct a supplementary question to the Minister of Finance. Has the minister held consultations with his provincial counterparts regarding the proposed curbs on consumer credit and, if so, what was their reaction?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, the matter of consumer credit of course has been mentioned by the federal government, as we indicated publicly previously, but no decision has been made in this regard. We have discussed the idea with various interested parties, but no decision has been made by the government.

Mr. McGrath: A further supplementary question, Mr. Speaker. Has the minister held discussions with the provincial governments on consumer credit curbs?

Mr. Benson: I have held discussions with provincial treasurers on a great many matters, Mr. Speaker.

Hon. Marcel Lambert (Edmonton West): A further supplementary question, Mr. Speaker. Will the principle of regional selectivity apply to any proposals concerning consumer credit, rent controls, and controls on professional fees?

Mr. Benson: Mr. Speaker, as I stated, no decision in this regard has been made at all.

[*Later:*]

Mr. J. P. Nowlan (Annapolis Valley): I wish to direct a question to the Minister of

Finance. It is supplementary to certain questions asked earlier. Is a provincially selective application of rent and consumer credit controls one of the proposals to be advanced by the federal government at next week's federal-provincial conference?

Mr. Benson: Mr. Speaker, a great many matters will be discussed next week at the federal-provincial conference. I do not think one could go into the details of everything that will be discussed at the conference.

[*Later:*]

Mr. Nowlan: A supplementary question, Mr. Speaker. With no thought of going into details, is there any intent or proposal of the federal government to apply any type of controls on a selective provincial or regional basis? If so, is the Prime Minister going to redefine his concept of one Canada?

Mr. Speaker: Order, please. I do not think the question as asked is in order.

LABOUR RELATIONS

VANCOUVER LONGSHOREMEN'S STRIKE—COLLECTIVE AGREEMENT RATIFIED

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, I wish to direct a question to the Minister of Labour. In view of the fact that most of the south shore of Vancouver harbour comes within the constituency of Vancouver East and that the operations there affect all of Canada, is the minister in a position to give us a full report on the situation involving the longshoremen on the west coast?

Mr. Speaker: Order, please. As hon. members know, it is doubtful whether ministers can give lengthy and full reports without reverting to motions. Perhaps the minister might give a brief, full report.

Hon. Bryce Mackasey (Minister of Labour): To summarize, Mr. Speaker, the agreement was ratified by a healthy margin of 279 votes. I take this opportunity to thank the hon. gentleman who through the week helped me convince certain of his constituents that this was in their best interests. The agreement was ratified, the men went back to work in a very orderly fashion at eight o'clock Vancouver time, and by this evening the port will be back in full operation.

Mr. Thomas S. Barnett (Comox-Alberni): A supplementary question, Mr. Speaker. Does the announcement the minister has made with respect to Vancouver harbour apply also to other ports in various parts of British Columbia?

Mr. Mackasey: Mr. Speaker, Port Alberni was a much more difficult port for political reasons, but it too saw the light.

INTRODUCTION OF AMENDMENTS TO LEGISLATION

Mr. H. Russell MacEwan (Central Nova): Mr. Speaker, I wish to direct a question to the Minister of Labour. Can he bring us up to date on when he expects to bring in amendments to the pertinent labour legislation, based on the Woods task force report?

Hon. Bryce Mackasey (Minister of Labour): I hope at this session, Mr. Speaker, but I would point out that the hon. member himself on previous occasions has expressed the view that he would not include as part of the law any restrictive provisions that would automatically deny either employers or employees their rights under the law.

SUGGESTED INTERVENTION OF MINISTER OF LABOUR IN MONTREAL POSTAL DISPUTE

Mr. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, I wish to direct a supplementary question to the Minister of Labour. In view of his success on the west coast and his other successes during the past year, would he consider offering the services of his department to the Postmaster General in settling the postal dispute in Montreal?

Some hon. Members: Oh, oh!

[*Translation*]

Mr. Georges Valade (Sainte-Marie): I have a supplementary for the Minister of Labour.

Has the Postmaster General and Minister of Communications (Mr. Kierans) called upon the Minister of Labour (Mr. Mackasey) to settle this dispute?

THE CANADIAN ECONOMY

INFLATION—MEASURES TO ASSIST PEOPLE ON LOW INCOME

Mr. André Fortin (Lotbinière): Mr. Speaker, I have a question for the Prime Minister.

In view of the fact that, according to the news this morning, over 1,666,000 Canadians earn less than $3,000 per year, could the Prime Minister tell the House what measures he intends to take so as to increase the income of those people and enable them to face the cost of living?

Inquiries of the Ministry

Mr. Speaker: The hon. member will admit, I am sure, that his question is of a general nature, and any answer must be in the form of a statement on motions.

Mr. Fortin: Mr. Speaker, I shall rephrase my question.

Since the White Paper on Fiscal Reform, recently tabled by the government, shows that half of those who earn less than $3,000 per year will be exempt from income tax, does the Prime Minister intend to make hnown in the near future what we he has in mind for the other half?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the member has already answered the first question, and I was just going to say that the White Paper is designed precisely to help those people who in this country have an insufficient income. However, before talking about helping the other half, we are waiting for greater support on the part of the member and opposition parties with a view to helping the half that is worse off.

Mr. Fortin: As I was elected precisely to help the half that the government does not assist, I would like to ask the Prime Minister if he intends to make a statement regarding the fate that his government has in store for that other half, taking for granted the opposition's co-operation.

Mr. Trudeau: Mr. Speaker, first we must be helped in order to help everyone.

[*English*]

CANADIAN SOVEREIGNTY

PROJECTED SECOND VOYAGE BY "MANHATTAN" THROUGH NORTHWEST PASSAGE

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I have a question for the government which involves overlapping ministries so perhaps I had better direct it to the right hon. Prime Minister who can have the appropriate minister answer. Has the government been in discussion with the Humble Oil Company or the United States government with respect to plans for a second voyage of the *Manhattan*?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, this question overlaps at least two or three others asked this week which have been answered by the Secretary of State for External Affairs.

[Mr. Fortin.]

Mr. Nesbitt: A supplementary question, Mr. Speaker, and a question of privilege. I beg to differ with the right hon. gentleman, but the question has not been answered nor to my knowledge has it been asked in the House. There were other related questions but not this one specifically. I repeat: Has the government or any department been in discussion with the Humble Oil Company or the United States government with respect to plans for a second *Manhattan* voyage?

Mr. Speaker: I think the hon. member has simply reiterated the question asked in the first place.

Mr. Nesbitt: Mr. Speaker, if the right hon. Prime Minister does not care to answer the question perhaps I can direct it to the Minister of Indian Affairs and Northern Development or the Minister of Energy, Mines and Resources. It appears that nobody will answer it.

OIL

REPORTED SECRET AGREEMENT ON EXPORTS TO UNITED STATES—REDUCTION OF VOLUME

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I should like to direct a question to the Minister of Energy, Mines and Resources. When speaking in Calgary he said that exports of crude petroleum to the United States amounting to 800,000 barrels a day would be cut in half by reason of a secret agreement the government had with the United States. Would he care to comment on the secret agreement?

Mr. Speaker: I am not sure whether the question asked is in correct form in regard to the subject matter but perhaps the minister should be allowed to answer.

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, I am not sure which press report my friend is referring to but there is no secret agreement, of course. The correspondence was tabled some time ago in respect of our agreement with the United States in this area. What I said to the meeting was that the nominations in the region of 800,000 barrels a day are extremely difficult for the American administration and they are far beyond the amount in the letters that have been tabled. I indicated that there probably would have to be a cutback but I did not indicate any quantities.

Mr. Woolliams: A supplementary question, Mr. Speaker. The minister has now said that

there is no suggestion as to the amount. Is there an agreement between Canada and the United States in this regard that there will definitely be a serious cutback in the export of crude petroleum from this country to the United States?

Mr. Greene: Mr. Speaker, there is an agreement which was engrossed in an exchange of correspondence in 1967. That agreement provides for exports of 332,000 barrels per day in districts 1 to 4. Under present nominations and flow this is being exceeded, and certainly this is of great concern to the United States. We are attempting to the very best of our ability and with all our resources to renegotiate a position satisfactory to both countries in the short term.

THE CANADIAN ECONOMY

TAKEOVER OF CANADIAN CHANNING CORPORATION BY INVESTORS OVERSEAS SERVICES

Mr. R. N. Thompson (Red Deer): Mr. Speaker, since the Minister of Consumer and Corporate Affairs is not here today may I direct my question to the Minister of Finance. In view of the current takeover of yet another Canadian company by a foreign-based company, and I am referring to the purchase of Canadian Channing Corporation Limited, one of Canada's oldest mutual fund organizations, by a firm known as Investors Overseas Services with Swiss headquarters, will the minister inform the House what action the government intends to take in regard to this matter?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, I have not had a chance to look into this matter in detail. I know that Canadian Channing had been foreign-owned until a few months ago when it was purchased by employees through another corporation. I understand from what I have seen in the press that it has now been sold to IOS, but I do not know the details of the transaction and will have to ask for them.

Mr. Thompson: Mr. Speaker, may I ask a supplementary question arising out of the minister's answer. Is the question of whether a company taken over by foreign interests has just become a Canadian company or has been a Canadian company for a long time relevant?

Mr. Benson: Mr. Speaker, actually these are both Canadian incorporated companies. It is a question of who owns them; that is what I am interested in.

Inquiries of the Ministry

IMMIGRATION

DEPORTATION OF DESERTERS FROM U.S. ARMED FORCES

Mr. David Lewis (York South): Mr. Speaker, may I direct a question to the Solicitor General which relates to questions I asked him previously about his inquiry into allegations of improper activity by officers of the Royal Canadian Mounted Police with respect to the deportation of three young United States citizens on January 25. Has the minister completed the inquiries he has undertaken? Also, how are the inquiries being carried on?

Hon. G. J. McIlraith (Solicitor General): Mr. Speaker, I have not yet completed the inquiry. It is being carried on at this stage by officers of the RCMP not from the Vancouver area involved.

Mr. Lewis: Mr. Speaker, may I ask a supplementary question. Is the Solicitor General co-operating in this inquiry with the Minister of Manpower and Immigration? I ask this because the matter is of concern to both departments. I do not know which officers of which departments may have been involved, but is there co-operation between the two departments with respect to this inquiry?

Mr. McIlraith: Yes, Mr. Speaker.

NATIONAL PARKS

SUGGESTED UNDERWATER PARK IN GULF OF GEORGIA

Mr. Paul St. Pierre (Coast Chilcotin): Mr. Speaker, may I direct a question to the Minister of Indian Affairs and Northern Development which arises out of a speech made in Vancouver last night by the Minister of Fisheries and Forestry. The latter minister suggested the establishment of an underwater park in the Gulf of Georgia. Is this being considered by the Minister of Indian Affairs and Northern Development?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, I also read the speech of the Minister of Fisheries and Forestry. My colleague and myself have been discussing this proposal several times in the last few months, and my officials have undertaken a feasibility study regarding the establishment of the first park of this type in Canada.

Inquiries of the Ministry

[*English*]

FEDERAL-PROVINCIAL RELATIONS

OFFSHORE MINERAL RIGHTS—REPLIES FROM PROVINCES TO LETTERS FROM PRIME MINISTER

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, may I direct a question to the Prime Minister with respect to mineral rights in Canada's offshore areas. Has the Prime Minister received replies from any of the provinces to his letter of November 30, 1968, to which he referred in his statement to the House on December 2, 1968, and to his subsequent correspondence of February 27, 1969, with respect to Hudson Strait, Hudson Bay, James Bay, the Northwest Territories and the Arctic Islands, to which he referred in his statement to the House on March 4, 1969?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I cannot from memory verify all those dates but I would confirm that substantial correspondence has been exchanged between the premiers of the provinces and myself on this matter. The Minister of Energy, Mines and Resources has been very actively pursuing with the provinces, the policy we laid down in the fall of 1968 and I believe certain meetings have already taken place between individual provinces and the minister or his officials toward a settlement along the lines we hope to achieve in our policy.

Mr. Dinsdale: Could the right hon. gentleman indicate whether on balance the attitude of the provinces has been positive or negative in reference to this matter?

Mr. Speaker: Order, please. I have some doubts about this question.

GRAIN

WHEAT—REQUEST FOR ANNOUNCEMENT OF POLICY CONCERNING ACREAGE REDUCTION—EXPORT OF BARLEY

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, my question is directed to the Minister without Portfolio, the hon. member for Saskatoon-Humboldt. Because of the high degree of uncertainty that exists throughout western Canada as to the course to be followed by the government in connection with the suggested reduction in acreage which the minister has referred to and the admonition on his part that those farmers who have a large amount of wheat on hand should give consideration to not sowing any this year, will the minister say when he expects to be able to notify the House and the country as to the policy to be determined? Up to the present there have been these haphazard statements—

Mr. Speaker: Order, please.

Hon. Otto E. Lang (Minister without Portfolio): Mr. Speaker, I think I did in effect refer to this question yesterday, indicating that we were giving the fullest possible attention to the matter and that, while I cannot set a date for making further statements on it, we are aware of the fact that we should try to do so as soon as possible. This is certainly our objective.

Mr. Diefenbaker: A supplementary questipn, Mr. Speaker. Has the minister's attention been brought to the fact that farmers in western Canada are anxious to get rid of their barley surplus? One case involves Dave Roberts of the Green Acres Fertilizer Company at Lethbridge who had found markets in the United States for four million bushels of Canadian barley. The right to export was forbidden and the sale was frowned on by the Wheat Board.

Mr. Lang: Mr. Speaker, there is no trick at all to finding markets for Canadian grain products below the prices at which they are offered by the Canadian Wheat Board in ways which would in fact hurt and destroy the whole price position. I am happy to remind the right hon. member that sales of wheat and sales of barley are substantially higher this year compared with the figures for the last two years. In fact, exports of barley will likely go to two and a half to three times the figure of last year.

Mr. Diefenbaker: Mr. Speaker, that answer sounded like the result of a memory test. That was not what I asked. Why was this company refused the right to export? They could have sold four million bushels of barley at 78 cents a bushel.

Mr. Lang: I think the right hon. member himself at one time supported the policy of marketing grain outside Canada through the Canadian Wheat Board.

Some hon. Members: Hear, hear!

Mr. Diefenbaker: Mr. Speaker—

Mr. Speaker: Order, please. I will recognize the right hon. member in a moment, but I would like to remind him and the minister that they seem to be engaging in a debate at the present time.

Mr. Diefenbaker: No.

Mr. Speaker: The right hon. gentleman says no. I am just saying this is my impression.

Mr. Diefenbaker: The minister may be indulging in that sort of thing. He is playing with the rights of the western farmers and doing nothing.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please.

HOUSING

MEASURES TO COUNTERACT DECLINE IN URBAN DWELLING STARTS

Mr. Andrew Brewin (Greenwood): Mr. Speaker, my question is for the Minister without Portfolio in charge of housing. Will the minister be announcing soon any steps proposed by the government to counteract the alarming decline of nearly 40 per cent in dwelling unit starts in urban centres for the month of January, as just announced by Central Mortgage and Housing Corporation?

Hon. Robert K. Andras (Minister without Portfolio): Mr. Speaker, I think I announced some significant steps that the government plans when I tabled the CMHC budget on February 2 with an increase of $174 million. This will provide for a substantial increase in housing starts for the sector of the market that is really in trouble—the low income sector.

AIR TRANSPORT

AVAILABILITY OF SERVICE AND PARTS FOR AIRCRAFT PURCHASED BY GOVERNMENT

Mr. Steven E. Paproski (Edmonton Centre): Merci beaucoup, monsieur l'Orateur. I would like to direct my question to the Minister of Supply and Services. In view of the Canadian government purchase of four Boeing 707 aircraft at a cost of $56 million, will the minister please state where he plans to service these airplanes and whether there are parts for this make of aircraft available in Canada?

[*Translation*]

Mr. Speaker: I think the question is out of order and should be put on the order paper.

[*English*]

Mr. Paproski: Une question supplémentaire, monsieur l'Orateur. Is the minister aware that the aircraft design that he has purchased is 12 years old?

INDIAN AFFAIRS

HAY LAKES—ALLEGED MISUSE OF BAND FUNDS BY GOVERNMENT OFFICIALS—DEATHS ON STURGEON LAKE RESERVE

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I have a question for the Minister of Indian Affairs and Northern Development. Has the minister been advised of the allegations made by Chief Harry Chonkolay of the band council of the Hay Lakes band of Indians of irregularities in the use of band funds by government officials, including the use of blank resolution forms and the use of this money in part for private industry and also for provincial purposes?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, I am not aware of this alleged charge made by the chief, but I can assure the hon. member that I shall inquire immediately, and if irregularities have been committed by some of my department's officials, they will be punished accordingly.

[*English*]

Mr. Baldwin: A supplementary question, Mr. Speaker. Will the minister request his colleague, the Minister of National Health and Welfare, who is to spend a few hours covering all of northern Alberta at the end of this week and the beginning of next week, to inquire into this allegation? Would he also ask him to inquire into the situation with regard to the Indians on the Sturgeon Lake reserve where in the last two months seven pre-school children have died, five having been suffocated in a fire and two having died from starvation and being frozen to death? Would the minister ask his colleague to make inquiries into the situation there?

[*Translation*]

Mr. Chrétien: Mr. Speaker, this last question was asked in the House last fall and we answered it. As far as the first question asked by the hon. member is concerned, this is a problem that comes under the purview of my department and I shall look after it immediately. It does not come under the jurisdiction of my colleague the Minister of National Health and Welfare.

Inquiries of the Ministry

[*English*]

THE CANADIAN ECONOMY

INFLATION—EXTENSION OF COPPER PRICE INCREASE SUSPENSION

Mr. David Orlikow (Winnipeg North): I wish to direct a question to the Minister of Finance. In view of the prediction of the president of the Canadian Electrical Manufacturers' Association that if the recent suspension of the copper price increase is removed it will force a two per cent increase this year in the price of electrical goods manufactured in Canada, is the minister discussing with the copper producers the extension of the price increase suspension agreed on several weeks ago, particularly in view of the so-called commitments made at the conference this week in Ottawa?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, in my view the Minister of Consumer and Corporate Affairs answered this question fairly well the other day. He said that this situation is constantly under review in light of the consensus reached by business at the conference of the Prices and Incomes Commission this week and in light of the coming federal-provincial conference on this matter. We will have something to announce before March 1.

Mr. Orlikow: Could the minister answer my question with a very simple yes or no?

[*Translation*]

INQUIRY OF THE MINISTRY

Mr. Roland Godin (Portneuf): Mr. Speaker, I should like to direct a question to the Prime Minister.

Could he tell us whether he supports the principle of secret balloting in the House which would mean that hon. members could disregard decisions taken within the caucus?

Mr. Speaker: I would suggest to the hon. member that his question is not acceptable.

[*English*]

FINANCE

REPORTED MOVEMENT OF FOREIGN CAPITAL OUT OF CANADA

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, may I direct a question to the Minister of Finance. Will the minister give the House a clear picture of the current position of the movement of foreign capital in and out of Canada in order to clarify confusing stories that foreign capital is being taken out of Canada at an accelerating rate in the wake of the publication of the white paper on taxation?

Mr. Speaker: Order, please. It seems to me that the question asked by the hon. member should be responded to in a general way by a statement on motions.

POLLUTION

LEGISLATION TO BAN PHOSPHATES IN DETERGENTS

Mr. G. H. Aiken (Parry Sound-Muskoka): I have a question for the Minister of Energy, Mines and Resources. It arises from opinions advanced in the committee on national resources that the federal government possesses authority to limit or ban the use of phosphates in detergents. Will the minister tell the House whether he intends to make a clear statement as to his plans in this regard? Does he propose to move an amendment to the bill in committee?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): A week ago today, if I recall correctly, I announced in the House that we intended to move in connection with this matter. Inasmuch as the spirit of the Canada Water Act is based on co-operation with the provinces, I have been discussing the situation with my provincial counterparts during the past week, and I can assure the hon. member that we intend to proceed either by way of an amendment to the Canada Water Act or by means of a separate statute; we have not yet decided on the preferable method.

Mr. Aiken: The minister made statements on this subject last Friday and again on Monday in which he seemed to be speaking on both sides of the question. May I ask whether he intends to proceed to introduce such an amendment on his own as part of the federal responsibility?

Mr. Greene: We intend to proceed by whatever method will be most effective in ensuring that phosphates are controlled and, ultimately, banned.

Mr. Harold E. Winch (Vancouver East): In view of a statement by a cabinet minister in British Columbia that he is prepared to introduce ancillary legislation supplementing federal policy if the federal government will send him a draft of the provincial legislation

required, may I ask whether such a document has been sent to the B.C. Legislature? If not, when will it be sent?

Mr. Greene: I have discussed the question with the British Columbia minister in charge of water quality in that province, and I am certain we can move in such a way as to meet his views and deal with this problem.

Mr. David Anderson (Esquimalt-Saanich): Perhaps my supplementary will take care of the one in the mind of the hon. member for Vancouver-Kingsway, who I see is trying to catch your eye, Mr. Speaker. Is it the intention of the minister to send Bills C-105 and C-180, both of which deal with the banning of phosphates, to the committee in order that these bills can be examined at the same time to determine whether it would be desirable to incorporate their provisions in the Canada Water Act?

Mr. Greene: I am not sure as to the present status of those bills. As far as phosphates and detergents are concerned I believe we already have the information required, and we are prepared to take whatever action is necessary.

Mrs. Grace MacInnis (Vancouver-Kingsway): Will the minister give a definite assurance that legislation will be introduced during the present session to ban detergents—phosphate detergents?

Mr. Greene: Phosphates in detergents. As I said, the exact method by which we shall proceed has not been decided, but I can assure the hon. lady, who has taken a great interest in this matter, that whatever action we take to regulate and ban this substance will be taken as quickly as possible.

Mrs. MacInnis: The minister did not hear my question. I asked whether legislation would be introduced this session.

Mr. Greene: If that is the method which is required as a means of control, then, in fact, it will be.

HARBOURS

COME-BY-CHANCE—PROVISION OF DOCKING FACILITIES FOR OIL REFINERY OPERATIONS

Mr. Walter C. Carter (St. John's West): My question should be directed to the Minister of Public Works, Mr. Speaker, but in his absence and in the absence of his Parliamentary Secretary perhaps the Minister of Finance will answer it. Has the government conducted or caused to be conducted a feasibility study into the proposed Come-By-Chance oil refinery? I am asking this question because of the government's reluctance to approve an application for financial assistance to the company in connection with private docking facilities.

Mr. Speaker: I have the impression that this is the type of question which would normally be placed on the Order Paper. If there is urgency, however, the minister might be allowed to reply.

Hon. E. J. Benson (Minister of Finance): I think I would prefer to wait untill the Minister of Public Works is here. The question is really directed to him.

[*Translation*]

POLLUTION

MONTREAL—PUBLICATION OF REPORTS ON AIR CONTAMINATION—INTRODUCTION OF LEGISLATION

Mr. Louis-Roland Comeau (South Western Nova): Mr. Speaker, I wanted to direct a question to the Minister of National Health and Welfare but since he is not here I will put it to his parliamentary secretary.

Has the minister undertaken an inquiry on air pollution in Canada bearing in mind the recent reports on the situation in Montreal and, if so, does the intend to make these reports public in the House or elsewhere?

[*English*]

Mr. Stanley Haidasz (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, the Department of National Health and Welfare is conducting a national air sampling program in conjunction with the provinces. I believe the minister will decide any question related to the reports which will be available.

[*Translation*]

Mr. Comeau: Mr. Speaker, I should like to ask a supplementary question.

Are these reports complete and does the department intend to bring in legislation in this respect at the next session?

[*English*]

Mr. Haidasz: This is a matter of government policy which will be announced in due course.

Inquiries of the Ministry

CANADIAN SOVEREIGNTY

PROJECTED SECOND VOYAGE BY "MANHATTAN" THROUGH NORTHWEST PASSAGE

Mr. W. B. Nesbitt (Oxford): I have a question for the Minister of Indian Affairs and Northern Development. Has he or his department received notice of a projected voyage by the *Manhattan* some time during the months of April or May?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): I do not think, Mr. Speaker, that my department has received such a request.

[*English*]

Mr. Thomas M. Bell (Saint John-Lancaster): A supplementary on this subject, and further to a question on February 2 which I have just been able to locate. May I ask the Prime Minister whether the Canadian government has been requested to agree to a second trip by the *Manhattan*, as was done in the case of the first voyage?

Right Hon. P. E. Trudeau (Prime Minister): I have not read the reference which the hon. member just mentioned but my recollection is that the Secretary of State for External Affairs said that no request had been made concerning any such voyage.

[*Later:*]

Right Hon. J. G. Diefenbaker (Prince Albert): This is a supplementary question to the Prime Minister in connection with a question asked a few moments ago. Will the government of Canada permit the *Manhattan* to make any voyage through these northern waters without the permission of the Canadian government being granted?

Mr. Trudeau: Thanks to the reference which was given in the preceding question, I have the answer given by the minister. If the answer is correct, and I think it is, this question is hypothetical. The reference also answers the first question which was addressed to me. The minister said, as reported on page 3081 of *Hansard:*

> With regard to the specific question whether the U.S. government has asked us about a second trip of the *Manhattan*, I think I made it clear in my previous answer that I did not know whether the *Manhattan* was to make another trip. Indeed, I do not know also whether the United States government would in fact make such inquiries. It is the *Manhattan* itself which would be making the voyage, not the U.S. government.

[Mr. Haidasz.]

Mr. Diefenbaker: Mr. Speaker, there is nothing hypothetical about the subject of Canadian sovereignty in the north. My question to the Prime Minister is simply this: Will the government of Canada insist that there shall be no such voyage without the permission of the Canadian government?

Mr. Trudeau: Mr. Speaker, we might insist that my grandmother should wear wheels, but it is still hypothetical.

POLLUTION

USE OF CONTINGENCY PLANS IN DEALING WITH OIL FROM WRECKED TANKER "ARROW"

Mr. Randolph Harding (Kootenay West): Mr. Speaker, on January 14, 1970 the Parliamentary Secretary to the Minister of Fisheries and Forestry indicated that contingency plans for dealing with the adverse affects of oil pollution had been developed. My question to the minister or his Parliamentary Secretary today is: were those contingency plans used in the case of the recent oil spill from the tanker *Arrow*, and how successful have they been in the opinion of the department?

Mr. E. F. Whelan (Parliamentary Secretary to Minister of Fisheries and Forestry): I am not sure whether they were or not; I would have to check. I know they are doing everything humanly possible to check this pollution, and I imagine they would have used those measures.

[*Later:*]

Mr. Harding: Mr. Speaker, I have a supplementary that relates to my original question. Are copies of these contingency plans available and, if so, where can they be obtained?

Mr. Speaker: Order.

THE MINISTRY

DELAY IN REPLYING TO CORRESPONDENCE FROM MEMBERS

Mr. Mark Rose (Fraser Valley West): Mr. Speaker, my question is directed to the Prime Minister. In view of the difficulty being faced by private members who are experiencing agonizing delays of up to two months in receiving replies from his ministers to very straightforward requests for information, does the Prime Minister feel that this inefficiency is in any way related to the imposition of the austerity program upon the civil service, and would the Prime Minister be good enough to look into the matter on our behalf?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I think the record will show that in no previous session have so many questions been answered so quickly by any government.

Mr. Rose: A supplementary question, Mr. Speaker. If I may clarify the matter for the Prime Minister, I was not speaking of answers to questions on the Order Paper but of replies by ministers to personal correspondence from private members.

ADMINISTRATION OF JUSTICE

APPOINTMENT OF JUDGES

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I should like to put this question to the Prime Minister. In view of the fact that several months ago we passed a bill in this House to appoint extra judges in various provinces and there has been a delay, would the Prime Minister assure the House, in view of the backlog of cases piled up in various courts, that these appointments will be made expeditiously?

Right Hon. P. E. Trudeau (Prime Minister): As far as I am aware, Mr. Speaker, I think that all of the judges for whom there is room under the statute have been appointed except for one.

Mr. Woolliams: A supplementary question. I say this with all due respect, but there are several vacancies for judges in Alberta which have not yet been filled, and we are asking for some action in this regard.

Mr. Trudeau: On this question, Mr. Speaker, all of the Alberta judges were appointed at the cabinet meeting yesterday.

Mr. Woolliams: Then when will the announcement be made, and could we have the names or are these secret appointments?

Mr. Trudeau: I must inform the hon. member that his name is not on the list.

Mr. R. Gordon L. Fairweather (Fundy-Royal): A supplementary question, Mr. Speaker. Did the cabinet yesterday appoint a justice of the Court of Appeal of New Brunswick, a position that has been vacant since last September?

Mr. Trudeau: Mr. Speaker, I will take the hon. member's request under consideration.

INQUIRY OF THE MINISTRY

Mr. Craig Stewart (Marquette): Mr. Speaker, I should like to direct my question to the minister in charge of the Wheat Board. The minister has asked western farmers not to grow wheat this year, and this will result in loss of income to western farmers. Is this the minister's method of asking the farmers to fight inflation?

Mr. Speaker: Order. The hon. member's question is clearly argumentative.

POLLUTION

CHEDABUCTO BAY—SUPERVISION BY FISHERIES DEPARTMENT OF ACTIVITIES CONCERNING TANKER "ARROW"

Mr. Louis-Roland Comeau (South Western Nova): Mr. Speaker, I should like to ask the Parliamentary Secretary to the Minister of Fisheries whether he can assure the House that the Department of Fisheries is supervising the activities at Arichat where the *Arrow* is situated?

Mr. E. F. Whelan (Parliamentary Secretary to Minister of Fisheries and Forestry): Mr. Speaker, I cannot give that assurance. I know there are a lot of officials there, but I do not know what they are doing.

MESSAGE FROM THE SENATE

Mr. Speaker: I have the honour to inform the House that a message has been received from the Senate informing this House that the Senate have passed the following bills to which the concurrence of this House is desired: Bill S-18, an act respecting Brunner Corporation (Canada) Limited; Bill S-19, an act to amend the Parole Act.

• (12 noon)

GOVERNMENT ORDERS

OIL AND GAS PRODUCTION AND CONSERVATION ACT

AMENDMENTS RESPECTING DEFINITIONS, APPLICATION, OIL AND GAS COMMITTEE

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development) moved that Bill S-5, to amend the Oil and Gas Production and Conservation Act, be read the second time and referred to the Standing Committee on Indian Affairs and Northern Development.

Mr. Speaker: Is the House ready for the question?

Mr. Dinsdale: Mr. Speaker, I am wondering whether some responsible minister is going to make a statement on this bill.

Mr. R. J. Orange (Parliamentary Secretary to Minister of Energy, Mines and Resources): Mr. Speaker, at the outset may I say that the order paper for today has this bill in the name of the Minister of Energy, Mines and Resources (Mr. Greene). Recently, a change was made which transferred responsibility for the bill from the Minister of Indian Affairs and Northern Development (Mr. Chrétien) to the Minister of Energy, Mines and Resources.

Mr. Speaker: Before we proceed further perhaps it might be understood, if it is so desired, that the bill should be presented to the House in the name of the minister. This can be done in a formal way. Is that agreed?

Some hon. Members: Agreed.

Mr. Orange: Mr. Speaker, Bill S-5, to which this House is being asked to give second reading, provides in effect for extension of the provisions of an act passed by this parliament and will apply to the vast areas off Canada's sea coasts. In the briefest terms, Bill S-5 amends the Oil and Gas Production and Conservation Act, which became law last June, in such a way that it will apply not only to the Yukon territory and Northwest Territories, but also to Canadian lands offshore from our sea coasts—in other words, to those areas which are commonly called our continental shelves.

The amended act would provide for more comprehensive statutory control over oil and gas operations, the prevention of waste and pollution, and the safety of operations for persons working in Canada's offshore areas.

The Oil and Gas Production and Conservation Act was the product of several years of study and discussion by federal officials and industry representatives. It was designed originally so that it could be applied to both the northern territories and to the offshore areas. Since the need was considered to be more urgent in regard to the territories in view of recent discoveries of gas in the southwestern portion of the Northwest Territories, and now oil at Atkinson Point, it was decided earlier that the then draft act should be completed and enacted with all possible despatch to ensure the orderly development of those new resources in the Canadian north.

[Mr. Chrétien.]

The time has now come for the act to be extended off Canada's offshore areas as well in order to cope with the increasing tempo of offshore exploration activities, in particular drilling for oil and gas. The need is increasing day by day. Drilling operations have been carried out off the west coast and in Hudson Bay, and extensive drilling programs are now under way off the east coast. It is possible that discoveries could be made in these areas in the near future.

The importance of having legislation pertaining to the offshore as comprehensive as would be provided by Bill S-5 is emphasized by incidents such as those which have occurred in the Santa Barbara Channel off California. Pollution is a matter of paramount importance with respect to the vulnerable multi-resource ocean environment. We must not only ensure conservation of the living resources of the sea; we must protect the recreational and other uses of the water, and we must as well preserve the environment for the owners and users of the shoreline. Extension of the Oil and Gas Production and Conservation Act to the offshore will provide comprehensive statutory authority for effective supervision and control over oil and gas activities, and it will also provide for regulations concerning the safety of the personnel involved.

Accidents elsewhere in the world have provided us with valuable lessons. For a considerable time now, well before the Santa Barbara Channel disaster, the Department of Energy, Mines and Resources has been evolving an excellent system for controlling offshore oil and gas exploration and drilling activities. I am pleased to say that the oil industry has been most co-operative. I might mention here that other countries have been taking notice of our practices in this regard, and interest has been expressed at the United Nations in connection with discussions there concerning the shape of a possible international system to govern the mineral resources of the deep oceans beyond the limits of national jurisdiction.

Hon. members may already be aware of the arrangements we have in Canada with regard to co-ordination between industry and governmental agencies involved in the utilization of the offshore. The primary purpose is to ensure that the special requirements of governmental agencies with offshore responsibilities are made known to industry and that industry in turn meets these requirements. To

the best of my knowledge, no better arrangements of this type exist anywhere, and here again other countries have shown great interest in the Canadian example.

There are several governmental agencies in addition to Energy, Mines and Resources that have practical responsibilities related to the offshore, not the least of which are those of the Department of Fisheries, in connection with the conservation of living resources; the Department of Indian Affairs and Northern Development, in connection with the mineral resources underlying Arctic waters; the Department of National Defence, in connection with defence installations and naval operations, and the Department of Transport in connection with the many aspects of navigation and shipping. It is required that the agencies concerned receive advance notice of proposed offshore exploration programs. This notice would include location, nature of program and type of equipment to be used in the program.

For example, the Department of Fisheries and Forestry receives 90 days' notice, the Department of Transport 60 days' notice, and the Department of National Defence 45 days' notice. This advance notice allows time for each of these agencies to react to a proposed exploration program as may be appropriate. An agency may wish, for instance, to have a program modified for some good reason as to timing or location. The Department of Energy, Mines and Resources has, therefore, already put into effect a system of procedures governing offshore oil and gas activities that provides a number of safeguards. The department requires, for example, that operators obtain prior approval by the department for all proposed offshore exploration programs, including each individual offshore well. We are now in need of the statutory authority that would be provided by Bill S-5 in order to enable us to continue evolving regulatory requirements and supervisory controls to keep pace with accelerating offshore activity and technology, and to place us in the position of being prepared to handle the new and complex situation that will arise upon the advent of commercial production.

Hon. members will find the significant amendments to the Oil and Gas Production and Conservation Act in clause 3 of the bill, where the area of application of the act is enlarged by new section 3(b) to cover "those submarine areas adjacent to the coast of Canada to a water depth of 200 meters or beyond that limit to where the depth of the superjacent waters admits of the exploitation of the natural resources of the seabed and subsoil thereof". This wording is derived from the Geneva Convention on the Continental Shelf, which instrument of international law confirms Canada's sovereign rights to explore and exploit the resources of our submerged continental margin.

The purpose of the next section, new section 3(c), is to tie the subject act into those acts which provide for land disposition matters in the territories and the offshore, the Territorial Lands Act and the Public Lands Grants Act, so that there can be no doubt on the part of the international community as to the extent of Canada's claims to mineral resources in these regions.

Finally, the intent of the last paragraph of new section 3 in the bill is to ensure that there will be no conflict with any solution that may come out of the negotiations which are now going on with the provinces in respect of the administration of offshore mineral resources. Hon. members will note that the amended act would not apply to any area within the geographical limits of a province or to any area where the administration of the oil and gas resources has been transferred by law to a province. Other amendments are chiefly to provide for the participation of officials of the Department of Energy, Mines and Resources in respect of those areas which are the responsibility of that portfolio.

The technical provisions of the act which the House is being asked to amend were explained to the House last April, when the Oil and Gas Production and Conservation Act was moved for second reading. They remain unchanged. I shall therefore not dwell upon them at length, but shall merely reiterate the main purposes the act pursues. Firstly, it seeks to ensure the recovery of as much oil and gas from a given reservoir as technology and economics permit. This means, for example, that the energy in the reservoir, which pushes the petroleum into the well bore, must not be inefficiently dissipated.

Secondly, the act provides for pooling and unitization among the petroleum companies so that an oil or gas field will be operated as if it were owned by one company. This, Mr. Speaker, is to ensure that only the minimum number of wells required for efficient production will be drilled and that these wells will be located at the best possible positions throughout the field. The result, of course, is greater efficiency and lower production costs. Thirdly, the act provides for

the setting up of the necessary administrative system and for appeals by industry with regard to administrative orders and directives.

I should like to mention at this point the great degree of unanimity on both sides of the House with which the technical provisions of the act under consideration were approved. What does the future hold for the offshore? We cannot say with certainty, for it is hidden in what the mariners of old called "Davey Jone's Locker". As I have already pointed out, one cannot predict when a major discovery will be made—it could be tomorrow.

The image of a wild and barren sea must be revised and it is being revised by our oceanographers, geologists and geophysicists. Although such words as "offshore" and "continental shelf" have become part of our everyday conversation, few Canadians as yet have a clear conception of what they mean. Think of them, if you will, as a portion of our territory that happens to be covered with a relatively shallow layer of salt water. The average depth of water over the Grand Banks of Newfoundland is less than the maximum depth of Lake Erie, by far the shallowest of the Great Lakes. With modern petroleum technology, exploration at such depths has become commonplace. And these continental shelves are vast, their area amounting to about 40 per cent of our land area. Think of it—at one stroke the mineral-resource area of our country has been increased by more than one third. It is true that much of the continental shelf in the Arctic is covered by sea ice and is difficult of access, but it is already being studied in depth by the scientists of the Department of Energy, Mines and Resources. Indeed, it is an oil discovery in the American Arctic, onshore in Alaska less than 200 miles from the Canadian border, that has sparked an unprecedented interest in both Arctic exploration and Arctic navigation.

• (12.10 p.m.)

Not only are our continental shelves accessible to mineral exploration, especially oil and gas exploration, but their geological composition makes them highly promising from a prospecting point of view. Much of Canada's continental shelf consists of sedimentary rocks of the type in which petroleum is found. The Canadian Petroleum Association made an estimate not long ago that the petroleum potential of our east coast shelf alone, including only areas to a water depth of 200 metres, amounts to some 25 billion barrels of oil and 150 trillion cubic feet of gas. This does not take into account the large areas covered by considerably deeper water. The fact is that Canada's continental shelves extend to water depths considerably greater than 200 metres in many places.

[Mr. Orange.]

These are indeed astronomical figures that strain the imagination; but scientific and technological achievements in recent years and months have shown that sceptics are the losers and visionaries the winners. It is true that we still know relatively little about the geology of our offshore areas—less in fact than was known about the geology of Alberta on the eve of the epoch-making Leduc oil strike of 1947. The gaps in our knowledge, however, are rapidly being filled by government and private scientists, with those of the Department of Energy, Mines and Resources in the van.

The growth in exploration activity has been phenomenal. The offshore area under federal exploration permits off the east coast alone now covers 260 million acres, about twice as many acres as the four Atlantic provinces combined, including Labrador, and stretching in an unbroken belt for some 2,000 miles from the Gulf of Maine in the north easterly direction to the Grand Banks and thence to Hudson Strait. In total, approximately 500 million acres are presently held under offshore Canada oil and gas permits. This means that more than half of Canada's submerged continental margin is now covered by permits. I need hardly point out that this activity is even now bringing important economic benefits to the coastal regions, particularly along the Atlantic, and that these benefits will multiply with the discovery of commercial quantities of oil or gas.

Yet the very magnitude of these activities and the economic and social consequences that flow therefrom oblige us to subject them to the most searching scrutiny and to view them in the largest possible framework, in time and space. We are dealing here with a national patrimony which must be applied not only for the immediate welfare of the Canadian people but also for generations yet to come for whom we hold these non-renewable resources, actual or potential, in trust. This is a sobering thought which requires a sober and sagacious response. I believe that the bill now before the House meets this requirement.

In conclusion, Mr. Speaker, I suggest that as the Minister of Energy, Mines and Resources (Mr. Greene) is the sponsor of the bill, it

seems that the subject matter of the bill should be placed more properly before the Committee on National Resources and Public Works. I wonder if the House would give unanimous consent to permit the transfer of this bill as it now stands on the order paper from the Committee on Indian Affairs and Northern Development to the Committee on National Resources and Public Works.

Mr. Speaker: Is it unanimously agreed that the motion now before the House be amended in the sense proposed by the parliamentary secretary?

Some hon. Members: Agreed.

Mr. Baldwin: No.

Mr. Aiken: I do not know whether I am permitted to do any more than say yes or no. The Committee on National Resources and Public Works now has the Canada Water Act before it, and will study it for a period of anywhere from six weeks to two months perhaps. It seems to me that it would be very difficult for the committee to handle this bill. But, unfortunately, we were not consulted.

Mr. Speaker: There might be further discussions later on during the day on the point. At the moment, it can only be proposed to the House by way of a formal motion which requires unanimous consent. I suggest that the parliamentary secretary may wish to have discussions with representatives of the other parties before a reconsideration of the matter later today.

Mr. Barnett: May I rise on a point of order, Mr. Speaker, in relation to the matter which was raised by the hon. member for Parry Sound-Muskoka (Mr. Aiken). I would not want the impression to be left in the House that the Committee on Indian Affairs and Northern Development is not also occupied with important matters.

Mr. Speaker: Has the parliamentary secretary completed his remarks?

Mr. Orange: Yes.

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, it seems that the bill that has been placed before the House has been prepared somewhat hurriedly by the government. There is some confusion as to who is responsible, the Department of Indian Affairs and Northern Development or the Department of Energy, Mines and Resources. I see the Minister of Energy, Mines and Resources (Mr. Greene) is still in the House. I hope he will remain with us for a while because when the discussion began this afternoon I asked of the government which responsible minister would be piloting the legislation through the House. We still have not quite clarified that point. My good friend, the Parliamentary Secretary to the Minister of Energy, Mines and Resources (Mr. Orange) has been handling the debate up to the present, but, we have not yet decided to which of the two committees the matter should be referred.

Mr. Barnett: The minister is part of a hydraheaded monster.

Mr. Dinsdale: The reason I have indicated that I trust the Minister of Energy, Mines and Resources will stay in the House is there is a strong feeling that there are some fundamental points that have to be clarified during the course of our discussion today, issues that revolve upon important jurisdictional questions as between the federal and provincial governments. It would seem to me that only a minister of the Crown who has been active in whatever negotiations have taken place around these areas can provide answers to the House at present.

It was only as recently as June 27, 1969 that royal assent was given to the original act which was then entitled an act respecting the production and conservation of oil and gas in the Yukon and the Northwest Territories, which indicates just how uncertain the government is in respect of these matters. In less than 12 months the government has come before the House with amendments to the original act. This is either an indication of poor housekeeping on the part of the government or of the fact that jurisdictional problems have not been properly sorted out, or else it could be, and I am sure this is another aspect, that the progress in mineral and oil exploration in the areas originally designated under the act, that is the Yukon and the Northwest Territories, has been proceeding so rapidly that additional legislative terms of reference are required at this time. It is quite true that there has been a great upsurge of interest in northern development.

• (12:20 p.m.)

I suppose this is related to the famous Prudhoe Bay discovery in the State of Alaska, which occurred just over a year ago. I want to underline that Canadian interest in this area even predated that of the United States government, as indicated by the legislation of 1969 and the further amendments

that are before the House now. It is unfortunate that government action was delayed, or at least that enthusiastic support for mineral and oil exploration in the north was dampened down until such time as our American friends were out in the forefront in the exploration field.

In his introductory remarks, the parliamentary secretary indicated that oil will be discovered. It is quite possible that oil could be discovered tomorrow, or at any moment. With the intensity of exploration now going on in the north this is certainly quite probable, but by the same token, Mr. Speaker, oil could have been discovered much earlier in the Canadian northern territories had the pace of enthusiasm and interest in northern development, which was generated during the early 60's, been continued throughout the latter part of the decade.

To get to the heart of the bill, and I notice that this concern was expressed in the other place when Bill S-5 was before those hon. gentlemen, I would like to inquire of the minister what degree of agreement and co-operation has been reached on the basis of consultation between the federal and provincial authorities? The chief purpose of the amendments before us is to define and delineate the continental shelf adjoining the mainland. In the light of the discussions that have been taking place for a number of years, it seems to me that if this legislation is to have any real significance and practical success in its implementation, a reasonable degree of concurrence should have been achieved by the provincial and federal levels of government. I trust that the minister of resources will make a statement, because no information along these lines was included in the opening remarks of the parliamentary secretary.

I would also like to hear comment from the minister on what degree of consideration this matter has received in the Resource Ministers Council, the administrative innovation established in areas of federal-provincial dispute with particular reference to resource matters. To me that would seem to be the ideal machinery for ironing out the obvious difficulties which have plagued the implementation of government initiative, both at the federal and provincial levels in the important matter of off-shore resource development.

At one time, and I am wondering whether this situation still prevails, Mr. Speaker, in order to be absolutely certain of their position with reference to areas of jurisdictional dispute, the mining and oil companies took out permits from both the provincial and the federal authorities. In view of the substantial amounts of money involved in exploration, they were not going to take the risk of being cut out because of difficulties existing between both levels of government. These were some of the questions that were raised in the other place.

During the course of the committee hearings in the other place on Bill S-5 the matter of jurisdictional responsibility was not clarified, not even in the testimony of the two departmental officials who appeared before the committee, Mr. G. M. McNabb, Assistant Deputy Minister, Energy Development, and Dr. D. G. Crosby, Chief, Resources Administration Division. It was the hon. Senator Connolly who raised the issue as to whether concurrent permits were still necessary for private industry operating in this field, and in reply Dr. Crosby said:

> For the most part, Sir, people who have permit coverage from the federal government also have the same coverage from the appropriate provincial government. They have gone to both levels of authority.

So, I presume that the situation still prevails. Then Senator Connolly asked:

> You may have to go to the courts in some cases, is that it?
>
> Dr. Crosby: I do not think, Sir, that this will necessarily become the case. We anticipate that agreements will be reached with the provinces and that these will be enshrined in legislation. As such, they will become the law of the land, of course, both provincially and federally.
>
> Senator Connolly: In legislation?
>
> Dr. Crosby: Yes. As an end result of the Prime Minister's offer, it will be necesary to enact legislation, I should point out that I am no legal expert, Sir, and, speaking completely as a layman, I am at your mercy.
>
> Senator Connolly: We are at yours, too.

That re-echoes the sentiments of members on this side of the House. We are completely in the dark with respect to the present status of jurisdictional problems between the federal and provincial levels of government. I trust that the minister of resources will help clarify this matter before we carry our discussions too far today.

The comments made in the committee in the other place suggest that this amending legislation, which follows so quickly on the initial enactment of the bill, will require almost immediate further amendment, because it was indicated that Bill S-5 is merely anticipatory of further legislation to come. Earlier in our proceedings today I inquired of the Prime Minister (Mr. Trudeau)

whether he could help clarify this situation. I did so deliberately because I think it is of the utmost importance to this debate that members of Parliament have some definite information as to the state of negotiations between the provinces and Ottawa.

• (12:30 p.m.)

In my question I indicated that there had been correspondence flowing from the Prime Minister's office beginning on November 29, 1968, followed by a further letter on February 27, 1969, in an attempt by the federal government to get the agreement of the provinces to precise delineation of jurisdictional responsibility. This resulted, I suppose, from the transfer of certain lands from northern affairs to the new resources department in 1966. At one time resources came exclusively under the old department of northern affairs but now they are divided between northern affairs and the resources department. The uncertainty, the confusion that seemed to prevail in the government benches, Mr. Speaker, at the outset of the debate today indicated that even within the government itself there is still no decision where the respective areas of responsibility lie. I trust that the minister will make a statement this afternoon which will indicate where the negotiations represented by the correspondence from the Prime Minister's office rest at the moment. I think the government owes it to the members of this House and the opposition to clarify this point before we can make any final decision on where we are heading with reference to Bill S-5.

In addition to the problems of intergovernmental disputation, there are other matters to be decided of course. The case of the islands of St. Pierre and Miquelon and the position that they occupy with reference to Bill S-5 would seem to me to be of the utmost importance to the Maritime provinces. This arises from the fact that, as the parliamentary secretary has indicated, clause 3 of this bill quite precisely and specifically delineates the territorial rights under the legislation. For example, it states that the offshore limits would extend to a water depth of 200 metres which would be approximately 650 feet. This is not an absolute figure, of course, because water levels vary from time to time and the whole situation with reference to the position of St. Pierre and Miquelon and the offshore continental shelf in respect to those two islands would, I presume, be a matter of continuing discussion between the government of Canada and the government of France at the present time.

The Prime Minister has referred to the Supreme Court decision of 1967 which resulted from the reference made to that body arising from the dispute on the west coast. Again, I think it should be clarified whether the government of Canada regards the Supreme Court decision in favour of the federal government's claim with respect to the west coast situation as applying to other coastal areas of Canada as well. I trust information will be forthcoming along this line.

My greatest concerns with regard to the proposed amendments have to do with the situation in the Northwest Territories, and in particular the Canadian Archipelago, arising from the current discussion on sovereignty. The original Bill S-29 did not precisely delineate the continental shelf and the offshore limitations. Under the amendments, the Canadian Archipelago will be subject to the same terms of reference as the coastline continental shelf. It will be readily seen, Mr. Speaker, that this immediately raises the whole question of Canadian sovereignty in northern Canada. Members of the official opposition feel strongly that before we can proceed further in the discussion and consideration of Bill S-5, the government should in no uncertain manner—which would be quite a change for the government—reaffirm the sector principle of sovereignty in Bill S-29. This has always been regarded as the position of Canda with reference to Arctic sovereignty, until the Prime Minister and the Secretary of State for External Affairs (Mr. Sharp) speaking on behalf of Canada began to vacillate on the matter on legalistic and even technical grounds.

I regard clause 3 as representing a very serious threat to Canada's traditional position of sovereignty in the Archipelago, Mr. Speaker. Because of that I should like to move an amendment, seconded by the hon. member for the Yukon (Mr. Nielsen) in the following words:

That all the words after the word "that" be left out and the following substituted therefor: this House, by reason that the Territorial Sea and Fishing Zones Act, chapter 22 of the 1964-65 statutes, extends and applies, except as therein provided, to every act of Parliament and every order, rule or regulation thereunder and the Governor in Council has failed to exercise his powers under that statute to issue lists of geographical coordinates of points from which baselines may be determined to establish the inner limits of the Arctic portion of the territorial sea of Canada and the Minister of Energy, Mines and Resources has not

caused charts to be issued delineating the Arctic portion of the said territorial sea wherefor the Arctic submarine areas adjacent and superjacent to the coast of Canada, to which the bill applies as mentioned in clause 3 thereof, are not known to and cannot presently be determined by this House, and by reason of the immediate relevancy to the bill and the said statute of the declarations, recommendations and other matter set out and contained in the first report of the Standing Committee on Indian Affairs and Northern Development, presented to the House on Tuesday, 19 December 1969, relating to the sovereignty of Canada in the Arctic, will not proceed upon this bill until that day next following the day upon which the question is put for concurrence by this House in the said report, or, if Parliament is not then sitting, then on any day next thereafter that Parliament is sitting.

• (12:40 p.m.)

Mr. Deputy Speaker: Order, please. I must say that initially I have some misgivings about the admissibility of the amendment. I prefer to consult with Mr. Speaker on the matter and possibly a ruling could be given after the luncheon adjournment.

Mr. Baldwin: On a point of order, Mr. Speaker. I assume that the dictates of intelligence will impel Your Honour to accept the amendment after consultation. That will be fine.

An hon. Member: What intelligence?

Mr. Baldwin: I was speaking of the dictates of intelligence and not of the intelligence on the government side. That is a lost cause. If Your Honour has not accepted the amendment, then perhaps at one o'clock you might hear arguments from hon. members on this side in support of this reasoned amendment.

Mr. Rod Thomson (Battleford-Kindersley): Mr. Speaker, I support the bill, including the principle that we should claim possession of continental shelf areas off Canada's coasts. I believe this bill has implications with regard to the sovereignty issue and the pollution issue and is relevant to any claim we might have to the economic consequences of oil development in this area. Mention has been made of the constitutional or jurisdictional issue. May I, in this connection, call the attention of the hon. member for Brandon-Souris (Mr. Dinsdale) to a speech the Minister of Fisheries and Forestry (Mr. Davis) made. Actually, I wish to read an excerpt from a letter sent by the minister to the Minister of Indian Affairs and Northern Development (Mr. Chrétien). It is signed "Jack Davis". As you know, Mr. Speaker, the Minister of Fisheries has advocated that we establish an underwater park in Georgia strait, and the letter contains part of his argument in that regard. It reads in part:

[Mr. Dinsdale.]

The constitutional position is also quite clear. As the nation owns all of the land surface below the low water mark off our shores, the areas in question do not have to be transferred from the provincial government. No negotiation with a provincial authority is necessary nor do we have to compensate private interests and assemble acreages to the same extent that we do on land.

I think everyone knows that the Minister of Fisheries is an authority on this matter. I wish he would decide to establish an underwater park in the waters adjacent to the Northwest Territories and make a similar declaration about those waters and the Arctic Archipelago.

Mr. Anderson: Will the hon. member permit a question? For the sake of those hon. members who have been following the hon. member's speech with great attention and interest, could he please let us know the date of the letter he referred to so that other hon. members who wish to may obtain copies of it?

Mr. Thomson: It is dated February 2, 1970. I am wondering if the minister of fisheries has informed that great white father in Victoria, Premier Bennett, of this particular jurisdictional position. If so, I should be interested in hearing Premier Bennett's answer.

This bill also relates to the question of pollution. The minister of fisheries has suggested that if we protect our fish we protect ourselves. I am prepared to accept that as sound reasoning, although it seems probable that he heard this from his friends the fish. He is saying that what is good for fish is good for Canada. This reminds me of an argument I heard south of the border to the effect that what is good for General Motors is good for the United States. The minister's approach is somewhat newer.

An hon. Member: It sounds like a fishy argument.

Mr. Thomson: The minister of fisheries has suggested that, "It is all right for you to drill for oil off Canada's coast, but don't dare drill for oil in Georgia strait because we want to put an underwater park there." He is seeking the co-operation of the Minister of Indian Affairs and Northern Development. The oil business is important to Canada and passage of this bill will bring some measure of certainty to our oil interests. For instance, those involved with oil matters will now know

which level of government has authority to issue regulations governing Canada's coastal waters.

This should bring a measure of certainty to the entire oil industry and to those who manufacture oil drilling barges. We manufacture such barges in Canada; I saw a picture of one which had been built in Halifax. I recall discussing with the representative of a shipbuilding firm the problems of shipbuilding, and part of our discussions touched on this particular issue. I ask, why should not Canada specialize in building vessels we will use a great deal? I think the proposed amendment will bring a great deal of certainty to our total business economy, including that area engaged in the business of constructing oil drilling barges.

There is another area which concerns me, Mr. Speaker. Last year parliament passed Bill S-29, but that bill has not yet been put into force. The government house leader said we must hurry and pass a number of government bills. Those bills were passed, but they are not being utilized. The bill to which I referred is one of those which has not been put into effect. The house leader was telling us not to delay, yet Bill S-29 has not been put into force; nor has the government set up the oil and gas committee mentioned in Bill S-29. Why, Mr. Speaker? Why is the government hurrying the House to pass legislation and then dragging its feet in the administration of that legislation? It has not even established the regulations called for in the bill. Why has it not done so, Mr. Speaker? The companies affected are not quite certain what is happening. Why does the government not bring this legislation into force? The bill was passed towards the end of June. It was sound and contained good law. The opposition was urged not to drag its feet; Parliament passed the bill but the government is not utilizing it. Why? Rather than agree with the position of the hon. member for Brandon-Souris, who has urged some delay, I should like to kick the government and tell it to get the lead out.

Some hon. Members: Hear, hear.

Mr. Thomson: The government pushed the legislation through, but has not acted on it. I suggest, in addition, that the credibility of the government house leader has been called into question because the government has not hurried to implement the legislation.

Mr. Baldwin: What credibility?

Mr. Mahoney: You are going too far.

Mr. Thomson: The government is red hot about passing legislation but slow in administering it once it has been passed.

Mr. Dinsdale: There is a little confusion on the government side.

Mr. Thomson: The parliamentary secretary suggested that the need for such legislation as this is increasing. I agree with that statement. This bill is a good measure in that it will institute controls over those companies wishing to drill for oil off Canada's coast or on Canada's continental shelf. We ought to pass it now and, if necessary, amend it later. In the meantime, let us pass a measure which will show that we are concerned about the pollution problem and that the continental shelf off Canada's shore is our land.

• (12:50 p.m.)

Mr. P. M. Mahoney (Calgary South): Mr. Speaker, I am very anxious that this amendment be passed and made law at the earliest possible date. I think that anxiety is shared by the industry that will primarily be affected by it. I think the industry shares the mystification of the hon. member for Battleford-Kindersley (Mr. Thomson) as to whether the government shares that anxiety.

The act which we are now amending received royal assent last June 27, yet the oil and gas committee authorized by section 4 of the act, and whose existence is an essential element of the system of control and conservation envisaged by the act, has yet to be appointed. I have no idea what other steps, if any, have been taken to implement the act.

While the present amendment is very important in that it will bring uniformity to the administration of an important field of the law regulating the petroleum industry, the fact remains that the present act, unamended, embraces the entire area of federal responsibility where production and conservation are a reality rather than an expectation. One might hope that the committee would be appointed and put to work immediately, even though there may be some delay in bringing under its jurisdiction that part of our federal petroleum and natural gas resources administered by the Department of Energy, Mines and Resources.

The government may have some information that has yet to be published but, as far as I am aware, all discoveries to date on federal lands lie within the jurisdiction of the Department of Indian Affairs and Northern

Development and are amenable to the provisions of the act as passed last session. There is no apparent good reason for further delay in implementing the act. Perhaps the minister or his parliamentary secretary will take the opportunity, in closing the debate, to explain the reason for the delay; although admittedly this minister has no direct involvement in the existing act.

Basically, this amendment will bring offshore production under the ambit of the Oil and Gas Production and Conservation Act. The mixed up situation regarding the offshore exploration near Vancouver points out the urgency of an early rationalization of the rules under which the industry is to work. There is something very unreal in the present situation, which sees the industry complying to the letter with the regulations established by the Department of Energy, Mines and Resources, spending large sums of money executing the program demanded of them by the department if they are to keep their permits in good standing, yet threatened with the positive caveat of the fisheries department that if they find something there is no way they will be allowed to recover it.

This is a government that prides itself, and with very good reason in most cases, on taking a business-like approach in its dealings with the business community. I do not for a moment downgrade the importance of the ecological considerations involved in the offshore production of oil. Even if one were disposed to ignore them, the examples are too dramatic and too grave to permit that. It is equally difficult to ignore the anomaly of the conflicting policies of different government departments, each having concurrent jurisdiction, in relation to this aspect of the industry's operations.

Some hon. Members: Hear, hear.

Mr. Mahoney: It is an aspect which will bring very substantial long term economic benefits to Canada if significant offshore resources of oil are found. The industry has a right to expect an early rationalization of the government's approach. The country at large has a right to expect that rationalization will fairly balance the potential ecological risks against the potential economic benefits.

I am not sure that the "no way" attitude of the fisheries department indicates a particularly objective, scientific or rational approach to a very important problem. It is common speculation, I do not know whether based on fact or not, that existing regulations governing the operations of the petroleum industry in the federal field are being reviewed. I accept the speculation as having a considerable basis in fact and I agree that a revision is most desirable in the light of discoveries on and near federal lands. However, there is a tendency on the part of laymen, and I am one of them, to get very excited about an oil or gas discovery and to assume that a single important strike is proof positive that a substantial field has been found. It is equally easy to assume that discovery of an important field in one location will almost certainly be followed by discovery of an important field nearby. All of this is not necessarily so, and the authorities considering revisions of the existing regulations should remember this.

The Prudhoe Bay discovery has given great impetus to exploration in the Canadian Arctic. It has raised our expectation of success to a very high level. The Atkinson Point oil discovery and the Panarctic gas discoveries have all tended to reinforce this optimism. It is all right to be optimistic, but let's not be sanguine.

Prudhoe Bay is an immense oil field, but still only a few wells have been completed and some dry holes have been found on the structure. It is significant that in the great Alaska oil rights sale last fall, the oil companies that had the best access to information, those with actual information in the field, did not pay exorbitant prices for more land. Oil accumulations the size of Prudhoe are extremely rare. The only field of comparable size to be discovered in North America was discovered in east Texas at the turn of the century, 70 years ago. Undoubtedly much more oil will be found in the Canadian Arctic, but the chances of finding a new Prudhoe Bay are slim.

Mr. Dinsdale: Don't be so pessimistic.

Mr. Mahoney: The authorities should also bear in mind that short of discovering another Prudhoe Bay, our Arctic oil is going to be very expensive where it counts, at its market. Wellhead price is only one consideration. Exploration costs are relatively high. Transportation costs will also be relatively high. Neither Prudhoe nor any other discovery yet made or likely to be made in the future will support the idea that the Canadian Arctic will be another Kuwait.

Mr. Speaker, may I call it one o'clock?

Mr. Orange: On a point of order, Mr. Speaker. There have been some discussions

with hon. gentlemen opposite regarding the reference to the Standing Committee on National Resources and Public Works of this particular bill and there has been general agreement that the order should be changed to refer the subject matter of this bill to that particular committee.

Mr. Deputy Speaker: Is that agreed?

Some hon. Members: Agreed.

[*Translation*]

Mr. André Fortin (Lotbinière): Mr. Speaker, on a question of privilege as regards the motion moved by the Parliamentary Secretary to the Minister of Energy, Mines and Resources. I wish to say that we Créditistes do not agree in principle with his proposal for a gentleman's agreement to transfer the subject matter of Bill S-5 from one committee to another.

[*English*]

We don't agree.

Mr. Deputy Speaker: Order, please. It seems to me if there is no unanimous consent, the issue is closed. It ceases to be an issue.

[*Translation*]

Mr. Fortin: I have raised the question of privilege, Mr. Speaker—

[*English*]

Mr. Deputy Speaker: I do not understand how there could be a question of privilege arising out of that, but I am prepared to listen to the hon. member.

[*Translation*]

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

In fact, we agree that this bill be referred to the committee. On the other hand, however, the Parliamentary Secretary did not consult us to conclude his gentlemen's agreement. He contacted the representatives of the Conservative Party and the New Democratic Party, but walked by me twice without stopping or even acknowledging my presence. He certainly knows that I am the house leader of the Ralliement Créditiste.

There are 14 of us members of the Ralliement Créditiste in the House. We have been officially recognized, not only by Parliament but also by the Canadian people, as a separate political group and we intend to assert our rights. When the Parliamentary Secretary first introduced this motion, the Chair did say that it was an agreement between all parties.

Therefore, I must protest—

[*English*]

Mr. Deputy Speaker: I am not sure whether the hon. member has a question of privilege. He may have a legitimate ground for complaint. Perhaps we should leave it at that.

It being one o'clock I do now leave the chair until 2 p.m.

Mr. Knowles (Winnipeg North Centre): You can speak all you like, now.

At one o'clock the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

Mr. Deputy Speaker: Order, please. Prior to one o'clock the hon. member for Brandon-Souris (Mr. Dinsdale) moved an amendment to Bill S-5. I suggested at that time that I might consult with Mr. Speaker and with members of the table. I am now prepared to give a ruling. However, before I do so I might like to hear the advice and suggestions of hon. members, if any hon. members wish to be heard.

Mr. G. H. Aiken (Parry Sound-Muskoka): Mr. Speaker, may I first refer to the ruling on a reasoned amendment made by Mr. Speaker on January 15, 1970, to be found at pages 2427-8 of *Hansard*, where a reasoned amendment was rejected. May I point out that this amendment is different in context and approaches more closely the type of amendment that has been accepted in the past. I should like to refer to May's seventeenth edition, page 527, where the author deals with reasoned amendments. It is stated that a reasoned amendment may fall into one of several categories, the second of which is:

> It may express opinions as to any circumstances connected with the introduction or prosecution of the bill, or otherwise opposed to its progress.

Then, at page 528 May deals with the effect of the acceptance of a reasoned amendment and states:

> The technical effect of such an amendment is to supersede the question for now reading the bill a second time; and the bill is left in the same position as if the question for now reading the bill a second time had been simply negatived or superseded by the previous question. The House refuses on that particular day to read the bill a second time, and gives its reasons for such refusal; but the bill is not otherwise disposed of.

It is my submission that this amendment falls particularly and directly within this rule. The amendment states that certain additional

information must be forthcoming before the bill can properly be considered. The amendment suggests some other course be followed, namely that a previously introduced report on sovereignty should be disposed of before reading the present bill a second time. I would think that this is the ultimate reason for accepting the amendment. We have before the House now certain questions of sovereignty over Canada's northland with which the House has not dealt, and about which there has been a good deal of controversy. The matter has been discussed; a report has been laid before the House previously but not concurred in.

The bill we are considering hinges very largely on the question of sovereignty in the north, since some of its provisions define the outer limits of Canadian sovereignty. In our opinion this bill derogates from Canadian sovereignty in the north; this opinion has been expressed hitherto and will be further expressed during the debate.

Therefore, Mr. Speaker, fundamentally this amendment seeks to have the bill not now read a second time but delayed until the report on sovereignty has been dealt with. It is, in fact, a dilatory amendment that would force the bill to follow another House order in terms of priority. For those reasons, I think this is specifically a case of a properly reasoned amendment being presented to the House in order to delay second reading of a bill until a certain event has taken place and another order of the House has been considered and disposed of.

• (2:10 p.m.)

It has been held on previous occasions that a reasoned amendment may be quite lengthy in its preamble, provided that in substance the essence of the amendment is to delay the reading of the bill. This is not in the time honoured tradition of a three months or a six-month hoist, but it is most definitely a motion of that type which delays second reading until certain things have been dealt with by the House. I think it is a perfectly straightforward and proper amendment on second reading. I suggest it should be accepted.

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, I do not think I would have entered the debate were it not for the remarks of the hon. member for Parry Sound-Muskoka (Mr. Aiken). I believe it is very important, in the interests of Canada, to make two points. In the first place, there has not been any contest by any party outside of the country or any doubt on the part of the government of Canada about our claim to the continental shelf. In fact, the position has been the very opposite; that is, that the continental shelf whether in the Arctic or anywhere else adjacent to Canada is under the complete sovereignty of the government of Canada. I say this because it relates to the relevancy of the amendment to this particular bill and because I think it is important to declare it here again, as it has been declared unequivocally before, so that the remarks of the hon. member for Parry Sound-Muskoka do not prejudice Canada's interest, that we do not acknowledge in any sense the jurisdiction of any other state with regard to the continental shelf, the subject matter of this particular bill.

I would refer you, Mr. Speaker, to clause 3 of the bill which deals in express terms with the submarine areas adjacent to the coast of Canada to a water depth of 200 meters or beyond. I affirm here, on behalf of the government and Canada, that there is no accuracy in what the hon. member for Parry Sound-Muskoka said when he suggested there is any doubt about Canada's exclusive jurisdiction there.

An hon. Member: Read the bill.

Mr. Macdonald (Rosedale): I refer to clause 3, and emphasize the fact that in this bill we are talking about the continental shelf.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, are we, under the guise of a point of order, to be permitted to debate Canada's sovereignty? I thought we had a point of order before the House and not the substance of the bill.

Mr. Deputy Speaker: I must say I am developing the same misgivings. I would invite the President of the Privy Council (Mr. Macdonald), now having made the opening statement, to discuss the procedural question before the Chair at the moment.

Mr. Macdonald (Rosedale): Mr. Speaker, I would say in respect of the hon. member for Winnipeg North Centre (Mr. Knowles) that I am surprised he is joining with the hon. member for Parry Sound-Muskoka in giving away Canada's clear rights in the north.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I have said nothing about the substance and I did not intend to say anything about the procedural point, but I insist that

the only point that is now before Your Honour is the procedural admissibility or inadmissibility of the amendment.

Mr. Macdonald (Rosedale): I hope the hon. member is not prepared to give away Canada's interest in this.

Mr. Knowles (Winnipeg North Centre): On a question of privilege—

Mr. Aiken: On a point of privilege—

Mr. Deputy Speaker: Order. There are two hon. members rising on a question of privilege. I have already made one suggestion to the President of the Privy Council. I will hear the hon. member for Winnipeg North Centre on the question of privilege and then the hon. member for Parry Sound-Muskoka.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, my point of privilege is that I have said nothing either directly or by implication that has anything to do with the substance of either the bill or the amendment now before the House. When the minister suggests that I am giving away something belonging to Canada he is incorrect and he is going far beyond the bounds of what is proper in this debate. It was my intention to remain silent on this point of order because I have some doubt about the admissibility of the amendment, but if he keeps on I may change my mind.

Mr. Aiken: On a question of privilege, Mr. Speaker, I resent the suggestion by the President of the Privy Council that I am trying to give away the rights of Canada. I suggest that if the President of the Privy Council would read the bill he would see that is what his government is doing. I have a map here that will show it. I intend to establish this later in the debate.

Mr. Deputy Speaker: I am sure the President of the Privy Council and others will agree with me that perhaps we should revert to the particular procedural question which confronts the Chair at the moment and confine our argument to that question.

Mr. Macdonald (Rosedale): Mr. Speaker, might I refer to the following reference from May's seventeenth edition at page 527:

> The following rules govern the contents of reasoned amendments:—
>
> The principle of relevancy in an amendment governs every such motion.

May I point out that it is perfectly proper, in the course of arguing a point of order on a question of relevancy, to refer to the subject matter of the bill in question on which second reading is being moved and to refer to the subject matter of the amendment. I take it there is no contest on that point. All the amendment refers to is the question of the territorial seas of Canada, the waters surrounding the Canadian mainland and the waters of Canada but what the bill refers to are those submarine areas adjacent to Canada to a water depth of 200 meters or beyond. We have here no question of territorial waters or a three-mile limit or a 12-mile limit or questions of navigation or non-navigation. This particular bill relates to the continental shelf, the sea-bed underlying the waters.

What I said about the hon. member for Winnipeg North Centre, in the form of an injunction, was that I hoped he would not be intervening in this debate to cast any doubt on the fact that we have an uncontested jurisdiction over the continental shelf. We have here an amendment referring exclusively to the question of territorial waters. It refers to a report in which the question of the territorial waters was raised. I suggest therefore, because this bill relates to the continental shelf and the marine areas in and about the continental shelf, that an amendment with regard to navigation is not relevant in this particular case. The amendment, therefore, should not be accepted.

Mr. Woolliams: You keep the establishment going.

Mr. Macdonald (Rosedale): I cannot imagine the hon. member keeping anything going, useful or otherwise. Perhaps I might refer to the ruling of the Speaker of January 15, 1970 already referred to by the hon. member for Parry Sound-Muskoka. He selectively read from the ruling at that time. May I draw Your Honour's attention to the words recorded at page 2428 of *Hansard* of that date where the chair referred to Section (1) of citation 393 of Beauchesne's fourth edition which was quoted at length:

> An amendment purporting to approve the principle of a Bill and at the same time enunciating a declaration of policy cannot be moved to the second reading. It must oppose the principle of the Bill.

What we have here, in effect, is an amendment which does not oppose the principle of the bill. It really is, in a guise, a statement of policy and a statement of policy not even about the subject matter of the bill itself. It is a statement of policy with regard to the question of the territorial waters. Because it is

irrelevant and because it does not oppose the principle of the bill, I suggest the amendment should not be accepted.

Mr. Knowles (Winnipeg North Centre): That is what I thought before you spoke.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I shall try to restore this debate to the dignity of a reasoned argument on a procedural question. In doing so I applaud Your Honour's decision in trying to prevent the rather deplorable and sly attempt by the President of the Privy Council (Mr. Macdonald) to get around the mealy-mouthed position the Prime Minister (Mr. Trudeau) took in the past.

• (2:20 p.m.)

Mr. Madonald (Rosedale): Mr. Speaker—

Mr. Deputy Speaker: Order, please. I now proffer to the hon. member for Peace River (Mr. Baldwin) the same piece of advice I offered the President of the Privy Council.

Mr. Baldwin: I feel better now, Mr. Speaker.

I will now proceed to speak on the procedural question. I should like to point out that I do not think the minister has really directed his mind to the bill in its entirety. It is true that clause 3 deals with the question of the submarine areas, but if hon. members would look back to clause 2 and subclause 3, they would find a new definition of pipeline which brings into question offshore installations or vessels. In other words, the definition of pipeline is extended to include offshore installations or vessels. How far offshore—

Mr. Macdonald (Rosedale): To the depth of 200 metres.

Mr. Baldwin: The minister has not contributed to the debate so far, and I think that the longer he remains silent the better off this House will be. With regard to the installation of vessels, we want to know how far offshore this would apply and to what extent. Are we entitled to consider that offshore means any part of the water between the islands of the Arctic Archipelago and the mainland? This has been brought into issue by the government in this clause. It purports to affix to the word "pipeline" an artificial interpretation, and therefore we are entitled to say that it is not proper for this Parliament to come to a decision on this matter until it has decided what the government has not had the intestinal fortitude to decide, namely, what are the limits of our sovereignty so far as the Arctic waters are concerned.

Mr. Deputy Speaker: I thank hon. members. I am now prepared to make my ruling on the amendment of the hon. member for Brandon-Souris (Mr. Dinsdale).

The hon. member for Parry Sound-Muskoka (Mr. Aiken) and the President of the Privy Council in their interventions on this question mentioned the ruling of Mr. Speaker on January 15 last when a reasoned amendment in relation to the bill to amend the Canada Water Act was before the House. I suggest to hon. members that the ruling on that occasion is relevent and applies in full measure to the amendment now being considered. I should like to quote two sections of that ruling. Paragraph 5 on page 312 of *Votes and Proceedings* which is an excerpt from May's, citation 382, reads:

> It is also competent to a Member who desires to place on record any special reasons for not agreeing to the second reading of a Bill, to move as an amendment to the question, a resolution declaratory of some principle adverse to, or differing from, the principles, policy, or provisions of the bill, or expressing opinions as to any circumstances connected with its introduction, or prosecution; or otherwise opposed to its progress; or seeking further information to the Bill by Committees, Commissioners, the production of papers or other evidence or the opinion of Judges.

In my view, the really operative part of that citation is the following: "a resolution declaratory of some principle adverse to, or differing from, the principles, policy, or provisions of the bill". Farther on, the same ruling refers to section 1 of citation 393 of Beauchesne's Fourth edition which reads:

> An amendment purporting to approve the principle of a Bill and at the same time enunciating a declaration of policy cannot be moved to the second reading. It must oppose the principle of the bill.

In my view, the amendment moved today by the hon. member for Brandon-Souris is substantially the same as the one moved by the hon. member for South Western Nova (Mr. Comeau) on January 15. I am afraid that, for the same reasons, I cannot allow the amendment.

Mr. Pat Mahoney (Calgary South): Mr. Speaker, when we rose at one o'clock I was discussing the proposition that with all the optimism we may reasonably entertain regarding our prospects in the Arctic, in the Northwest Territories, certainly the fact of Prudhoe Bay or the fact of the oil and gas

discoveries on our side of the boundary give no reason to be sanguine. We have no reason to expect an extension of Prudhoe Bay nor any good reason to think that we are likely to find an oilfield comparable to that. I am not myself a geologist or a geophysicist. However, I think that the better geological and geophysical opinion with respect to Prudhoe Bay is that it is a basin limited on the east by the British Mountains which run along the Alaska Yukon border, and that, to the extent that such areas as the Mackenzie delta have resources comparable to Prudhoe Bay, those resources will comprise a separate basin from Prudhoe Bay and not an extension of it.

There is also a tendency in some quarters to think of our Arctic reserves as money in the bank to be conserved and spent at our complete leisure. This is totally irresponsible. The momentum of exploration and development must be maintained. Oil demand could very well slacken in 10 or 20 years. It has happened to other industries—coal is an example—and it could happen to petroleum. The automobile is a prime target in the campaign against pollution. With this impetus there is every likelihood of a breakthrough in automobile power source that will level off the demand for petroleum in the foreseeable future. I love our forests and I am grateful to those who have fought so hard to conserve them, but I hope their motivation was not that the cordwood market was going to get better.

In addition, we cannot let our share of the world market drop. Others will be very happy to pick it up, and again technology increases the risk of a loss of markets. The Colorado oil shales in the United States constitute the world's largest known oil reserve. The United States government has not granted leases there, but the pressure is on and many feel that existing technology will permit the extraction of oil at a price competitive with other energy sources.

So I repeat, let us not, in revising these regulations covering our best industry assume that a slowdown in the industry can be absorbed with impunity. About 30 cents out of each of the billion dollars spent last year by the petroleum industry—some $300 million—was spent in direct purchases from central Canada. A good portion of the other 70 cents was expended on commodities manufactured in central Canada. A significant slow down in exploration by the industry would have a serious short-term effect in all Canada. The adverse effects might, in the long-term, become perpetual.

• (2:30 p.m.)

Much bitterness in western Canada started with the federal colonialism that preceded the transfer of resources to Alberta and Saskatchewan. The position of residents of the Yukon and Northwest Territories is not particularly relevant to this specific bill, but it is certainly a problem that must lie in the back of our minds as we think about the activity in the petroleum industry in those Territories.

Finally, there are three changes which the authorities should consider. The need for incentives to explore, built into the present pre-Prudhoe regulations, has certainly modified. I would recommend that for the future, serious consideration be given to removing the added royalty option, and adopting the Crown reserve system, as I believe that lands returned to the Crown and auctioned by it create a competitive situation resulting in new waves of exploration. One factor the government will have to consider is a calculation of the royalty return against income from auction bids and increased exploration.

Secondly, I am concerned with the way all lands in a given area are being disposed of by filing. The filing method has been necessary to stimulate exploration in a very difficult region, but the government should retain representative blocks to be auctioned at appropriate times.

Thirdly, the stake of Canadians in their own natural resources is a legitimate area of concern, even if it is grossly over-stated and distorted in some quarters. The government's decision to maintain its position in Panarctic Petroleums Ltd. was welcomed by all Canadians, except perhaps by a few speculative bargain hunters. Consideration should be given to offering direct participation to more Canadians in this venture. Perhaps when present participants want to dispose of all or part of their interests, as has occurred in the past, allegedly with some resulting dilution in the ultimate Canadian participation, a secondary distribution to Canadians might be considered. Unlike the NDP I have never felt that Canadian participation in commercial undertakings could be entirely satisfactory when channelled through the government.

In closing, Mr. Speaker, may I reiterate that while this amendment is most desirable and should be adopted without undue delay, there seems no good reason why realization of the concept envisaged last session in the original bill should be delayed. Let us get on with rationalizing Canada's relationships with this vital resource industry.

Mr. G. H. Aiken (Parry Sound-Muskoka): Mr. Speaker, I had intended to speak at a later stage on this bill, but in view of the fact that the issue which I want to raise has already been referred to in the discussion of the amendment, I would like to take my turn now. I wish to make a few comments about one aspect of the bill that very deeply concerns me.

I think there are two matters that have to be considered seriously, not as to the detail or content of the bill itself, but as to its general effect. The first is what I consider a derogation of the sovereignty of Canada in our northern waters by virtue of a definition in this bill. The second is the question of a Supreme Court decision relating to offshore rights, which concerned only the west coast of Canada, and following which it was intended that there be further consultations before the federal Parliament acted on the matter for the whole of Canada.

I think it is well known that there was a gentlemen's agreement, if one could describe it so, that after the Supreme Court decision ruling the offshore limits of the continental shelf off the west coast to be federal Canadian territory and not provincial, there would be a series of conferences between the federal and provincial governments to straighten out this problem in the rest of Canada. This morning questions were asked by the hon. member for Brandon-Souris (Mr. Dinsdale) about what replies the Prime Minister (Mr. Trudeau) had received from the provinces. He answered that some replies had been received, but he refused to indicate which way the provincial people went and whether or not there was any agreement at all on the question of offshore rights. These are two things that are affected by this bill.

As to the second question, I do not wish to expand on it at the moment except to say that as far as I can see the federal government is proceeding without consultation or provincial consent to define the limits of the federal interest in the continental shelf. This, I repeat, is being done without going through the formality of consulting the provinces to find out whether agreement can be reached. In that way, by bringing forth this bill at this time, the government is creating more difficulties than it is solving.

The first matter I raised, concerns our sovereignty. I want to put it this way. The original act, which this bill proposes to amend, applied to oil and gas in the Yukon Territory and the Northwest Territories. I think that

was a pretty clear definition. I believe that at that time the Canadian people, the Canadian government, and people beyond our shores had no doubt whatever where our territories were. They comprised the whole areas contiguous to Canada, extending from our east and west coast north to the North Pole. As I say, I do not think anybody had any doubt about that. That is the way the act read.

Now clause 3 of this bill proposes to define a further area, and provides that the act will henceforth apply to:

> (a) the Yukon Territory or the Northwest Territories; (b) those submarine areas adjacent to the coast of Canada to a water depth of two hundred metres or beyond that limit to where the depth of the superjacent waters admits of the exploitation of the natural resources of the seabed and subsoil thereof;

My argument is just this: now that we have a definition of our territories, which includes the seabed to a depth of 200 metres at any point beyond our coast, this opens up the whole question of where our coast is. The question is raised whether this clause defines Canada's coast as the northern part of the mainland of Canada and not the islands. It leaves the question open as to where the territory will end as between the mainland and the islands, and just to make the whole matter worse there is this definition of a depth of 200 metres.

• (2:40 p.m.)

According to the way I figure it, 200 metres is 111.1 fathoms, which is the equivalent of about 666.6 feet. I have a map here, which is an official map of the northern part of Canada, on which all the depths of waters are given. It is a map of the Arctic Islands, Davis Strait and the Beaufort Sea, including connecting passages. I know the depths that are given on this map for many of the locations lying between the islands and between the mainland and the islands. Now, I remind you again, Mr. Speaker, that the depth set forth in this particular bill is 200 metres which is 111 fathoms, and there are many locations—

An hon. Member: Are you going to table it?

Mr. Aiken: There is an interjection from the hon. member. This happens to be a public document which the hon. member can get for himself if he can talk the Minister of Energy, Mines and Resources (Mr. Greene) into giving it to him. Not only that, but it is published by the Government of Canada.

Many of these depths run to 450 fathoms, which is four times the depth defined in the

bill. What I am saying is that the definition giving Canada jurisdiction over its resources to a depth of 200 metres must leave in doubt those areas that are 450 metres in depth.

Mr. Orange: Mr. Speaker, I wonder if the hon. member would permit a question?

Mr. Aiken: Is it a question of privilege?

Mr. Orange: No. I wish you would permit a question.

Mr. Aiken: Yes.

Mr. Orange: The hon. member read that portion of the section referring to the 200 metres, and I wonder if it would be useful to read the balance of it.

Mr. Aiken: I read the balance.

Mr. Orange: It reads:

> 200 metres or beyond that limit to where the depth of the superjacent water admits to the exploitation of the natural resources of the seabed and subsoil thereof

Are we not talking there about 200 metres or beyond?

Mr. Aiken: Mr. Speaker, the hon. member generally asks intelligent questions but I do not understand that one. I read the whole section when I started. All right then, what does it mean? It reads: "200 metres or beyond to where the depths of the superjacent water admits of the exploration of the natural resources of the seabed". Is that what we have sovereignty over or is it not? If we have sovereignty over 200 metres or beyond 200 metres to some other undefined depth, what is the other undefined depth? Why are we admitting that there is any location in the Arctic waters over which we do not have sovereignty?

Some hon. Members: Hear, hear.

Mr. Aiken: This is what I want to know. What portions of these areas are not Canadian territory? I say it is all Canadian territory, regardless of the depth of the sea. Surely, that is not the point at all. Surely our 12-mile limit or 3-mile limit does not depend on how deep the water is. Surely, our sovereignty does not depend on how deep the water is.

I know this bill was drafted with oil and gas exploitation in mind. I say that with this in mind, there has been a complete oversight of the side effects that the bill would have, one of which would be an admission that there may be part of the Canadian Arctic waters over which we do not have sovereignty. Regardless of how you cut it, that is the way subclause (b) of this bill reads. That is what I am objecting to. We are cutting away at sovereignty. The government refuses to make the simple statement, "The Canadian Arctic is under Canadian sovereignty". If they will just make that statement, we will be all right but they will not do it. The Committee on Indian Affairs and Northern Development brought in a strong report. We only debated it one day because the government had no alternative, since they were ruled out of order when they tried to stop it. The motion for concurrence in the report has gone back on the Order Paper and we probably will not see it again.

The purpose of the amendment which Your Honour has ruled out of order—for which I am going to substitute another which will not be ruled out of order—is to delay the passage of this bill until the question of Arctic sovereignty is settled once and for all or the report of the Committee on Indian Affairs and Northern Development considered and settled. We must not leave this great gap, which leaves us wondering what this bill means. We must settle the main issue, where our sovereignty ends. I do not want to see this House pass a bill which limits our sovereignty, or appears to limit it, until after we have given this Parliament the opportunity of saying, "The Arctic is ours." We have not had that opportunity yet.

I have no criticism of the amendment being ruled out of order, but I am explaining why we would have liked to proceed in this way. We have preferred to follow the course suggested in the amendment but if we cannot, then we are prepared to use the direct method, the six months' hoist. We feel so strongly that we should not deal with this bill and the limitations and the derogations of our sovereignty contained in it until after the main issue is settled, that we are prepared to move the amendment. We think, Mr. Speaker, that logic must force any member in the House to support such an amendment. We are not only putting the cart before the horse, we are putting a very rickety cart before the horse and it may fall apart before we know where we are going.

For these reasons, Mr. Speaker, I move, seconded by the hon. member for Peace River (Mr. Baldwin) that the motion be amended as follows:

> That the word "now" be deleted and the words "this day six months hence" be added at the end of the question.

Oil and Gas Act

Mr. Randolph Harding (Kootenay West): I have listened with a great deal of attention to the motion which has just been moved and to the debate which has taken place on this bill today. I have a few comments to make on the bill in general and then possibly I will come back to the amendment a little later on.

• (2:50 p.m.)

Bill S-5 is an act to amend the Oil and Gas Production and Conservation Act. I see it as a further amendment to Bill S-29 which was passed last year. In fact as I recall it, Bill S-29 received royal assent on June 27, 1969. While I am on the subject, Mr. Speaker, I should like to comment on the lack of government action on Bill S-29. Constantly, we hear from ministers across the way that the House is being exceptionally slow in pushing legislation through. Here we have a fine example of legislation passed over eight months ago not being implemented. The government pushed for passage of this legislation; it had to go through in a hurry. But what happened? Regulations covering the drilling of oil were to be set up. I ask the minister responsible, where are those regulations at this time, eight months after the bill was passed. I will tell you where they are, Mr. Speaker. They do not exist. At least, they are not published. They may exist on paper to the extent that people in the department are working on them. Those people know what legislation is to be introduced and that regulations must be drafted in connection with the legislation to be passed by Parliament. Why then do we have to wait months and months for those regulations which give effect to the legislation? I say this constitutes a disgraceful approach to the problems concerning oil and gas exploration in this country.

The bill which was passed provided for the establishment of a committee relating to oil and gas matters. I know that several government supporters are unhappy about this delay in setting up the committee. Where is the committee? It does not exist because this lackadaisical, do-nothing government just has not put into effect legislation the House of Commons passed months ago. I resent this delay and we need only look around us to see its result.

We have problems in the north and problems all over Canada because the government has failed in its job of regulating the exploration and development of our natural resources. This should be done in an orderly and sensible way. It amazes me to see any

[Mr. Aiken.]

government in the world being stupid enough to give out permits covering tremendous areas for oil and gas exploration without having adequate safeguards that will regulate and protect those resources for the people of Canada. We see an example of this in the north. This is not a matter of trying to stop exploration; that is not my aim. We are trying to make the government realize that we must have an orderly and sensible approach to resource development. If we do not have that approach we will run into the same problems and troubles which have pestered the world for generations and will continue pestering it.

Let us take a look at what is happening in the north, for example. We have over 100 million acres of land in the Arctic islands under gas and oil leases; we have over 10 million acres of our Arctic waters under oil and gas leases. People want to go into the area and explore, and yet there is no proper set of regulations governing pollution in the Arctic. We are told by experts the world over as well as in our own departments that if there is a serious oil spill in the Arctic, tremendous damage will be done. Yet we have not even undertaken the necessary research in this area; we have not even undertaken research into the ecology that is absolutely necessary in order to be certain what measures ought to be taken in the event of an oil spill.

We must examine all possibilities. You cannot blame the companies for going into the area; they are looking for territory to explore. You cannot blame them if the regulations are not laid down and if they go ahead and search for oil and gas without them. After all, they are in that business. But, government departments concerned ought to know about the potential problems and what regulations will be necessary to meet those problems. It gripes me to think that we must wait for a dreadful disaster before we are prepared to move. That is why I think that, along with a bill of this sort, we ought to introduce regulations governing the companies undertaking this exploratory work in order to protect as widely and effectively as possible other resources which might be affected by oil pollution.

An excellent example of pollution from an oil spillage is to be seen on the east coast of Canada today, where the Liberian tanker *Arrow* went down. About one month ago, in an answer to a question I had placed on the Order Paper, I was told that the government

had set up contingency regulations for dealing with emergencies such as this. However, I find that there is no such list of contingency measures in the department. Is it not amazing? A disaster takes place on the east coast of Nova Scotia and we stand around, wringing our hands, not knowing what to do while tremendous ecological damage is being done.

Last year when the amendment to the Canada Shipping Act was being considered we supported the concept of total liability for damages; that is, we wanted Canada to have the right to collect the full cost of any damage done to our environment as a result of an oil spill. That clause was deleted; apparently the government was awaiting the outcome of the Brussels conference. The consequence of that deletion is that today, following a major disaster on the east coast of Canada resulting from an oil spill, we have no remedy. We will not know for years how much ecological damage has been done and we have no legislation to cover the situation. I say this is wrong. I lay the blame at the door of these ministers and departments responsible for having the regulations and controls drafted and who have failed, particularly during the last year, to take the required steps.

I shall now talk about other sections of Bill S-5, Mr. Speaker. It extends the jurisdiction of the act previously passed to the oil and gas areas that do not lie within the geographical limits or under the administrative control of any of our Canadian provinces. I think this is good. The extension of jurisdiction will cover the continental shelf which lies off our east, west and northern coasts; it also covers the Arctic islands and the shelves surrounding them. At least, I presume this is what the bill covers.

We have been in desperate need of adequate guidelines and regulations to cover oil and gas exploration and development in all parts of our federal jurisdiction. I am certain that far too few protective measures are now incorporated in the regulations which govern the search for oil and gas. Our federal government should be the watchdog over our resources; it should guard them from ruthless exploiters whose only goal is to make a fast dollar and who often have no regard for the safeguarding of our other resources. In many areas, our own departments have done little or no research into the long term results from faulty or careless resource development. I touched on that a few moments ago.

• (3:00 p.m.)

I wish to take a few minutes to deal with one or two other problems in connection with oil exploration. In doing so I shall use some material from a brief prepared for the Canadian Wildlife Service by Dr. Warner in the fall of 1969. Dr. Warner received assistance from other individuals in preparing this brief. The result was a very comprehensive and thoughtful document which showed that Canada was not researching problems dealing with oil exploration along our continental shelf and in the Arctic.

I wish to refer to several sections of this brief in order to show members of the House how absolutely essential it is that we do not delay making regulations and safeguards which I believe are desperately needed. I shall quote a couple of paragraphs from this brief, because if oil leaks can occur in other countries where drilling is under way we can bet it will happen in the Arctic or the continental shelves on the east and west coasts of Canada. I quote from the bottom of page four of the brief as follows:

> —there are now over 9,000 oil wells pumping from submerged areas of the world's continental shelves.

This is on a worldwide basis. A little further on Dr. Warner gives some information which he has checked. He says:

> Reports now available indicate that in the Baltic and Caspian Seas oil leakage from drilling and pumping activities is resulting in grave losses to wildlife, principally the migratory waterfowl and seabirds, and to the commercial fisheries. The widely reported recent catastrophic blowout of an offshore oilwell on the Santa Barbara coast, where crude oil under pressure leaked through fissures in permeable sedimentary strata, has graphically illustrated what can happen during such underwater operations.

I shall not talk about the Santa Barbara oil spill. We all know the tremendous amount of ecological damage that has been done. We know there is an $800 million suit against the federal government by interested groups who feel they have a chance of forcing the United States government to pay. The next paragraph of the brief should cause us to think very deeply about what could happen off the shores of Canada or in the Arctic unless we have adequate safeguards. Dr. Warner states:

> While the industry claims such operations are quite "safe", an engineer presently employed by one of the companies heavily involved in offshore drilling stated privately that the life expectancy of such offshore platforms was less than ten years, owing principally to the damaging effects of storms, collisions from ships, and other environmental hazards. It has, for example, been reported that an entire drilling rig was carried away by ice in Cook Inlet, Alaska.

This does not mean pollution will take place, but if the drilling-rig involved had struck oil, the damage would have been immense.

If one adds to this the problem of breaks in the submerged pipelines serving these offshore units, the magnitude of the potential for environmental contamination becomes clear. Such underwater pipelines have been broken by ice action at a water depth of 250 feet.

These are interesting comments by someone who has checked into the possibilities that could occur from oil drilling in these areas. There is a host of other interesting material in this brief. I suggest that every member of this House read and study it. The problem is, what has the Canadian government done to ensure that the type of pollution which this researcher is talking about does not take place? What have we done to investigate and implement some safeguards?

The Standing Committee on Indian Affairs and Northern Development recently checked into the sinking of a supply barge in the Arctic. In fact, a couple of supply barges were sunk. We do not know fully what they contained. I understand one contained oil and the other contained some type of supplies. I have a question on the Order Paper at the present time requesting information on the supplies which were lost. This is another matter which should be considered by the department concerned. Perhaps the means of transportation is not adequate. Are proper safeguards being taken by the companies transporting supplies and goods from the mainland to the Arctic islands? Many of these supplies are flown in, but some are brought in by barge. Research programs should investigate designs, etc., of Arctic transportation. This matter should be very carefully checked. There should be regulations to ensure that Arctic waters are not polluted because a company does not have adequate knowledge of the type of transportation it should use in these areas.

There are many other problems in connection with oil. I have examined a few of them. Contingency plans are supposed to be available in the event of oil contamination anywhere off the east, west or north coast of Canada. Adequate contingency plans should be available. Unless such plans are available, and we have equipment that can be used to nullify the effects of these spills, we should be very careful how we go about laying out huge areas for oil and gas exploration. It would be very simple to cause irreparable damage to the ecology of our country when looking for gas and oil.

[Mr. Harding.]

I have just one or two more points to make Mr. Speaker. Other members in our group will deal with other aspects of the bill. I want to mention one point in passing. It seems there has been mixed jurisdiction as far as the continental shelf is concerned. A Supreme Court decision indicated that the continental shelf off the west coast of Canada came under federal jurisdiction.

• (3:10 p.m.)

I presume there will be a similar test as far as the continental shelf off the east coast of Canada is concerned. Provinces do not easily give up the hope of their right to exploit what is potentially a source of great mineral wealth. In a sense one cannot blame them. But it is important that the necessary regulations be laid down. As has been pointed out today, a situation has developed in which both federal and provincial governments are receiving payment from oil companies in respect of leases. This is nonsense. Jurisdiction must be either federal or provincial.

The regulations laid down to protect the natural evironment must be strict, and they must be uniform throughout Canada. I suggest to hon. members and to those piloting this measure through the House that there must be no delay in establishing the necessary regulations so that this bill and companion measures shall, indeed, protect every section of our continental shelf as well as the shores which would suffer the full consequences of any oil spill.

Blame for delay in establishing these regulations must rest with the department responsible. Good and effective regulations must be drafted. Along with this work must go sound research to ensure that the companies concerned are using the right kind of drilling equipment, not material which over a period of time will rust and allow pollution to occur. There are many vital interests to protect. The fishery is one. Tremendous damage could be done to water fowl which nest in the north. These are things too precious to be lost, yet there is a risk of losing them if we are not vigilant, if we fail to take the measures which need to be taken.

In closing, may I say I am pleased that the bill will go to the committee on national resources for study and comment. I do not say this because I happen to be a member of that committee but because I believe this is the committee which should deal with the subject. It has already been considering the question of pollution on a wider basis, and I

believe this experience will serve as a good foundation upon which to suggest regulations which might be attached to legislation of the type we are considering. I endorse this legislation. It is a step in the right direction. I hope we can tighten it up with a good set of sound anti-pollution regulations.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, we compliment the Parliamentary Secretary on his courage and high measure of statesmanship in piloting this measure through the House.

Some hon. Members: Hear, hear!

Mr. Baldwin: In my opinion it could have a serious affect on the Northwest Territories. Both by expression and implication it amounts to a serious diminution of Canadian sovereignty over the waters of the Arctic. This is an issue in respect of which the Territorial Council has shown far greater courage than this lily-livered government in stating an honest position with regard to sovereignty.

There are one or two considerations which persuade me to support the motion of my hon. friend from Parry Sound-Muskoka (Mr. Aiken), but before doing so I wish to enlarge on a point mentioned earlier by some hon. members. We are dealing with an amendment to Bill C-48 which was enacted in June of last year, shortly before the infamous attempt by the government to force down the throat of this House certain rule changes on the ground that the government needed the powers contained in Standing Orders 75B and 75C in order to assure the early passage of legislation which it considered urgent.

We find that this important Bill C-48, enacted last year, has never been operated. Today we are being asked to effect its amendment. How much credibility can one attach to hon. members opposite, when they follow a course of conduct of this kind? This is the sort of treatment to which we are subject in the House by a government which really does not know whether it is coming or going most of the time. The President of the Privy Council (Mr. Macdonald) talked about 74 measures which the government needed passed in 74 days. I hope hon. members will bear this in mind when spokesmen for the government come to us and ask: Why did you not pass this legislation? Let them remember that we enacted Bill C-48 last year, an important bill, and that it was not even acted upon.

I wish to make two points concerning the merits of the amendment. I believe it is completely wrong to bring forward such an amendment at this time. I am amazed that the government has done so. I think of the phrase "Whom the gods would destroy, they first make mad." We know the government proposes later to introduce legislation dealing with pollution in Arctic waters and the inland waters of the north. Why, in the name of heaven, was the amendment not kept until that time in order that we might engage in a proper debate on all the important issues involved? These are important issues which we in the opposition have attempted, with the limited weapons at our disposal, to bring before the people of Canada in an effort to get this government to reassert the unequivocal declaration which previous prime ministers and administrators have made.

• (3:20 p.m.)

In view of these facts, for the government to take this provocative action now and to include within its proposals amendments that challenge the entire question of Canadian sovereignty, because this is what they have done; let there be no mistake about it—

Mr. Olson: No.

Mr. Baldwin: The Minister of Agriculture (Mr. Olson) can say what he likes, but he knows little about wheat and even less about Arctic sovereignty. On reading this bill there is no doubt that a further challenge is brought forward by the government to the cardinal principle of sovereignty over the waters of the Arctic which by tradition, declaration, assertion, geography and occupation have been, and even without this government's help will continue to be, Canadian waters.

As the hon. member for Parry Sound-Muskoka has said, the original bill introduced last year, Bill V-48, provided in clause 3 that the act was to apply to oil and gas in the Yukon territory and Northwest Territories. That did beg the question; but at that time the government had not stooped, as it has since, to taking this weak-kneed and vacillating position on Arctic sovereignty.

Those of us who were interested in this bill assumed that the words "the Yukon territory and Northwest Territories" meant an area not only of land but of waters which for at least 100 years had been accepted as being within the sovereignty of the Canadian people. We now find that by amendment to the interpretation section, section 2, the definition of the word "pipeline", for example, has been extended to cover offshore installations or

vessels. I suggest this is an obvious acceptance on the part of the government of the fact that the exploration, development, production and transportation of oil is going to involve to a considerable extent the use of waters in the Arctic.

Now is the time, if there ever was a time, for the government to say that by "waters" it means those waters which are Canadian waters; that this is an expression which, according to the interpretation of "sovereignty" and past assertions, has been given a meaning that is unchallengeable and is undenied. But the government has left the position completely open. What does the government mean by "offshore installations or vessels", a phrase now to be found in the interpretation of the word "pipeline"? It leaves the impression that there must be very grave limitations upon Canadian sovereignty over the waters of the Arctic; certainly that view is consistent with such a change.

In addition to that, as my hon. friend from Parry Sound-Muskoka said, clause 3, which provides that the act applies in respect of oil and gas in the Yukon territory and Northwest Territories, now begs the question even more. The people of Canada have believed that the Yukon territory and Northwest Territories have traditionally in the past extended, and still extend, to the waters of the Arctic archipelago, the waters between the Arctic islands and the mainland.

Clause 3 now proposes a positive weakening of that assumption in the introduction of certain finite conclusions. For example, there is reference to submarine areas, to lands that belong to Her Majesty in right of Canada. I suggest this is an obvious admission that part of what we have always in the past regarded as waters of the Canadian Arctic may not necessarily be the case, since the government is placing a limitation on what in the past has been a wide and unrestricted interpretation of what is the Canadian Arctic.

If the government had any doubt in its mind, this was the time to express it. We are now faced with the situation that not long ago members of the United States Congress referred to the possibility of the government of that country placing in service a fleet of icebreakers to push through the Arctic commercial vessels of U.S. companies such as the Humble Oil Company. Fortunately, a serving naval officer who was giving testimony at the time qualified the effect of this by saying that the waters in question were Canadian Arctic waters. He subsequently amended that statement by saying they were waters which were close to and related to the Canadian Arctic.

There is, nevertheless, an obvious and determined effort being made by commercial interests in the United States to seek and obtain what they suggest is the right to unimpeded passage through the waters of the Canadian Arctic. Those were the exact words used at a hearing in Washington some time ago. Those words, or words to that effect were also used, I understand, by Mr. George Ball when giving evidence before a committee of this House.

At a time when the government should be asserting in the strongest possible way the right of the Canadian people to sovereignty over these waters, we find the government bringing in an amendment which, in effect, challenges even the interpretation that had been placed on these waters by the previous act. I simply do not understand it, Mr. Speaker. Our party is not approaching this question in any narrow, chauvinistic way. We seek this right solely for the purpose of being able to establish control and the right to regulate the passage through these waters of vessels of any nation. This right has been asserted in the past.

In 1925 the then minister of the interior and the Parliament of that day passed regulations which provides that any vessel, scientist or explorer passing through the Arctic had to apply for and obtain a licence to do so. That right, I understand, was not denied but was in fact accepted by the U.S. government. Later, during the course of the DEW line operations, Canada laid down a regulation which provided that vessels passing through this area from the United States were compelled to obtain a waiver under the Canada Shipping Act. This was questioned to some extent, but was accepted in due course.

Then we have the statement of a former Prime Minister when he was Canada's ambassador to the United States in, I believe, 1946 or 1947. A number of declarations have made abundantly clear what our rights are. As I say, we are not asserting these rights simply because we want to colour the map red or blue for Canada; we are asserting them as a matter of national safety and security. These rights are assured any nation under the 1958 and 1959 conventions. Even if it were held that the waters in question were territorial, we have the unchallengeable right to pass regulations that are in the interests of our national safety and security.

• (3:30 p.m.)

In view of the situation caused last week by the oil tanker which grounded off the west coast of Nova Scotia, surely no one in this chamber would dare challenge the right of the Canadian government, acting for the people, to reassert our rights and say: Passage you may have, but passage on conditions which we, in our right as trustees for the Canadian people, must lay down.

We hear talk about tankers of 300,000 tons. In the name of heaven, what complete destruction, in an ecological and environmental way, would be caused by a tanker of this size being wrecked while attempting a so-called unimpeded voyage through the Arctic waters! We do not ask this government to break new ground. We simply ask it to stand up for the rights of the people of Canada and reassert what has always been accepted in the past. I refer to the sovereignty, even in a limited way, of Canada and over these waters, not for narrow nationalism but to protect the rights of our people and the hope that in the future the north will develop as it should, uncontaminated by the dreadful results of the type of disasters which could take place.

We heard that when the *Manhattan* reached home she had two or three large holes, one large enough to drive a truck through. I am instructed that the holes were in places where oil tanks would normally be. This ship was only able to complete her voyage with the aid of the Canadian ice-breaker. These are the facts we are placing before the House. Surely the Prime Minister (Mr. Trudeau) and the Secretary of State for External Affairs (Mr. Sharp) would admit that they made a mistake by refusing to take this position earlier. Surely they can accept the recommendation of the Committee on Indian Affairs and Northern Development, the members of which were there, saw the situation, heard evidence and looked into the legal situation. The committee, in a reasoned, objective and non-partisan way made a recommendation which must be accepted. I believe if the question were put to a vote in the House, it would pass with a very substantial majority.

We are asking that the amendments which are included within the four corners of Bill S-5 be not proceeded with at this time. We are not denying that in a technical way and for certain technical reasons there are advantages to these amendments. We say, however, they should not be proceeded with and that the House should use this occasion to demonstrate to the government that the people of Canada object very strongly to the attitude of the government in failing to make the declaration which it should make in order to justify our claim to sovereignty over these waters.

At one time I dismissed hon. members opposite as coming within the interpretation of the Vice-President of the United States when he referred to the silent majority. They are now speaking up. Hopefully, this is a good sign for the House. I urge hon. members opposite to support the amendment of the hon. member for Parry Sound-Muskoka and say to the government that it should not proceed with this bill. The government should first accept what the committee has recommended and, second, it should bring before this House for debate the legislation which the Prime Minister indicated will be introduced in respect of the pollution of our northern waters.

That legislation should be brought down and we should debate it. Let us first accept the recommendations of the committee and then, Mr. Speaker, we can deal with this matter. In that sense I plead with hon. members of this House to accept this amendment.

Mr. Thomas S. Barnett (Comox-Alberni): Mr. Speaker, I was a member of the Committee on Indian Affairs and Northern Development which drafted and presented to the House a report on Arctic sovereignty which, as has been mentioned several times, had the unanimous endorsation of all the members of that committee. Therefore, I believe it should be apparent that I am as concerned as any member of the House that we should make a clear declaration of Canadian sovereignty over the waters which lie between the islands of the Arctic archipelago.

I took an active part in the debate on the amendments to the Canada Shipping Act. Had those amendments passed, they would have placed the liability for the cost of incidents such as occurred off the coast of Nova Scotia—I refer to the break-up of the *Arrow* oil tanker —on the owners of the vessel or cargo. Therefore, I do not quarrel at all with the hon. member for Peace River (Mr. Baldwin) with regard to the need for exercising complete Canadian control over the passage of oil tankers through Arctic waters.

I have often enjoyed the reasoned and cogent arguments presented in this House by the hon. member for Parry Sound-Muskoka (Mr. Aiken) and the hon. member for Peace

River, but their arguments today in support of the amendment which they placed before the House are a little beyond my comprehension. I am not too good at some of the long words, but I think the proper word to use in respect of the amendment is that they have completely obfuscated the matter of Arctic sovereignty. Therefore, at the outset I should like to make clear that I have no intention of supporting the motion for a six months' hoist, which we ordinarily understand to be one to kill a proposal. I believe my view is shared by my colleagues in the New Democratic Party.

The hon. member for Peace River referred to clause 3 of the bill and pointed out that it contains what was in the act passed last year, which is now chapter 48 of the statutes. Clause 3 refers to the Yukon territory and Northwest Territories. That part of the bill was passed, and I submit with deference to the learned gentleman from Peace River that what was the Yukon territory and the Northwest Territories last year is still the Yukon territory and the Northwest Territories. Therefore, nothing in this bill in any way detracts from the area of Canada encompassed by the Yukon territory and the Northwest Territories.

If I understand this proposal correctly, we are talking about the sea bed; we are not talking about the geographical boundaries of Canada. If the waters within the Arctic archipelago rightfully are internal waters of Canada, and therefore part of the Northwest Territories, this fact is not in any way lessened or detracted from by the proposals in this bill.

• (3:40 p.m.)

What is important is that we are saying we intend to exercise sovereignty over the continental shelf which is rightly ours as a result of the Geneva convention which gave the sea bed to the adjacent coastal states. Therefore, we must consider this whole proposition, realizing that we are talking, not only about the Arctic Ocean and the sea bed under it but about the Pacific Ocean and the Atlantic Ocean.

Far from weakening the position with regard to our sovereignty in the Arctic, I suggest this bill may strengthen it. I do not have the chart to which the hon. member for Parry Sound-Muskoka (Mr. Aiken) referred. However, I suggest that an examination of that chart may very well show that certain areas north of the Canadian mainland which this bill will cover in so far as the exploitation of oil, gas and other resources of the sea bed are concerned, would not be included in an exercise of sovereignty which would include as internal waters those lying between the islands of the Arctic archipelago and the mainland.

I will not go into the question of the sector theory, but I just throw the suggestion that at least so far as the argument about jurisdiction over territorial sea or inland waters is concerned, this bill does not weaken our position. Therefore, I think the argument for its delay on the grounds advanced by the hon. member for Parry Sound-Muskoka and the hon. member for Peace River falls to the ground. I hope they appreciate that I am not in any way discounting their concern that our government take a firm position on the question of our exercise of sovereignty. We in this party are with them on that point.

If one were to consider the question of whether we should go slow on the provisions of this bill, one might come to the conclusion that perhaps of greater concern is the question raised by my colleagues, the hon. member for Battleford-Kindersley (Mr. Thomson) and the hon. member for Kootenay West (Mr. Harding), namely, the question of the potential danger to Canada and to future generations of Canadians of any sort of oil exploitation in underwater areas.

The examples they mentioned of the California coast and the incident which is fresh in our minds—which is not directly related to the bill—of the destruction of the oil tanker and the resulting serious harm to the ecology of the east coast, should put this matter very much to the fore when we consider a proposal for the exploration of oil and gas in underwater areas within the boundaries of the continental shelf.

With this point in mind I have examined the act that was passed last session, with particular reference to the authority which, as has already been pointed out by my colleagues and others taking part in the debate, has not been exercised—in this case the authority of the Governor in Council to make regulations. The act as it now stands does give some authority in section 12 (m), (p) and (q). I think it is important before this bill passes through the committee stage, at least for the government to make clear the substance of the regulation which it intends to enforce in respect of these paragraphs of the section. In order to underline the point I am

trying to make, I should like to read them. The paragraphs read as follows:

(m) prescribing the conditions under which drilling operations may be carried out in water-covered areas and any special measures to be taken for such operations; . . .

(p) prescribing minimum acceptable standards for the construction, alteration or use of any works, fittings, machinery, plant and appliances used for the development, production, transmission, distribution, measurement, storage or handling of any oil or gas;

(q) prescribing the measures necessary to prevent pollution of air, land or water as a result of the exploration and drilling for or the production, storage, transportation, distribution, measurement, processing or handling of any oil, or gas or any substance obtained from or associated with oil or gas;

We are considering an amending bill which in effect says that we will take steps to control the exploration, development and utilization of oil, gas and other resources which may exist under the sea bed adjacent to our coast on any of the three oceans. Therefore, members of the House, members of the committee and the Canadian people should know in detail how the government intends to exercise the authority conferred upon it under those paragraphs of section 12 of the Oil and Gas Production and Conservation Act which was passed by the House last year.

It seems to me logical that if there is to be a pause at any point in our proceedings on this bill, it should be at the committee stage until the committee is thoroughly satisfied that the steps the government is taking under the authority granted it in those paragraphs will be exercised in a manner consistent with the preservation of other aspects of our environment. The committee should also ensure that the exploitation of oil and gas reserves is carried out in a way that will not cause damage which outweighs its economic advantage.

In this connection I should like to quote briefly from a statement made recently by a person who some would say is quite knowledgeable in this area:

Protection, however, is a difficult subject. In recent years we have been mesmerised by technology. We have been mesmerised by advances on the scientific front—advances which have been concerned mainly with physics and inorganic chemistry, with electronics and nuclear power.

• (3:50 p.m.)

But the unique thing about our planet, about our earth, about our water, is that it harbours living things. Ours is a living planet in a lifeless universe. And yet our modern technology has been concerned, much more, with lifeless things. It has been concerned about lifeless space, about instant communications and about the generation of power.

Our study of life itself, by comparison, is in its infancy. Biology has been, to some extent, neglected. Ecology, even though it deals with the inter-relationship of living things, is a new word. Perhaps these inter-relationships are too complex for us to understand. But we must know more about these life-giving processes, these living cycles, these vital inter-relationships. We must know about them for our own good and for the good of life itself.

What worries people most are the immense powers which inanimate science—lifeless science—

I suppose one could say the immense powers proposed for the Minister of Energy, Mines and Resources (Mr. Greene).

—has given us to destroy life on this planet. If these new powers are used thoughtlessly our biological balance will be upset.

I would like to have heard that statement made in this House by its author, because it is a statement made by the Minister of Fisheries (Mr. Davis). I have hardly ever quoted in this House a statement made by a member of the government with more approbation than I do those remarks of the Minister of Fisheries. The sad thing is that it was not a statement of government policy, because it was prefaced with the words:

I would like to make one thing quite clear at the outset. I am speaking as a Member of Parliament.

In other words, he emphasized that he was not expressing government policy. I suggest it is a rather sad thing when the Minister of Fisheries has to go off into a corner to some little Liberal workshop in Capilano to make a statement of that kind, rather than getting up in this House, in a debate such as this, and making it as a statement of policy of the government concerning the exploitation of the inanimate resources of our country.

The considerations expressed by the hon. member for Capilano are the important things which should be in the minds of members of the committee when this bill is being discussed in detail. In committee we should have answers to the kind of questions which he raised in that statement, before the committee reports the bill back to the House. As we are all becoming increasingly aware, these are not matters to be dealt with lightly.

My colleague from Kootenay West made brief reference to a statement about the delicate balance of the ecology of the Arctic. The northern affairs committee has had quite a number of representations made to it on this subject and has discussed the matter. Some of its concern is indicated in its report to this House. That report has been only partially debated, and we have no indication that the House will ever be allowed to come to a decision on it.

The contents of this bill are of immediate concern to a member who comes from the province of British Columbia, because of the oil exploration that was carried out on the sea bed of the coast of B.C. a year or so ago. This exploration was in the outer waters lying offshore from the west coast of my constituency, and more recently in the inside waters of Georgia Strait. This bill, if passed, will become operative in respect of all or part of those areas. I say all or part, Mr. Speaker, because the question of the jurisdiction over certain areas is still up in the air. According to statements made in this House on earlier occasions, the Strait of Georgia is one of those areas. Whether it will come within the ambit of this bill is open to question. Of course if the proposal contained in the remarks of the Minister of Fisheries about an underwater park is implemented, we may not have to worry about whether a federal or provincial minister is involved in the granting of oil permits for drilling in the Strait of Georgia. The suggestion made to the Minister of Northern Affairs (Mr. Chrétien) by the Minister of Fisheries, if it has not already been well noted should be well noted by the Minister of Energy, Mines and Resources.

There is another point I would like to make on this issue. It has been touched upon during question periods, when we sought to obtain clarification of the status of waters such as the Strait of Georgia so far as oil exploration and the issuing of oil leases are concerned. Unless the situation has changed quite recently, the minister told us that an offer was made to British Columbia to put Georgia Strait under provincial jurisdiction, but that there had been no indication from the government of that province as to whether it was prepared to take action on the offer. I suggest that, whether or not we are to have an underwater park in Georgia Strait, enough time has elapsed since that offer was made to the government of British Columbia that the federal government should now announce that the offer is withdrawn.

I say that, Mr. Speaker, at least in part because it is obvious that the Premier of British Columbia, who sometimes seems to imagine he is a sort of tin-pot emperor, is not prepared to sit down and discuss any question intelligently with the government of Canada. At least, if he does it is a very exceptional situation. I want to make it clear in this House—

The Acting Speaker (Mr. Béchard): Order, please.

[Mr. Barnett.]

MESSAGE FROM THE SENATE

The Acting Speaker (Mr. Béchard): I have the honour to inform the House that a message has been received from the Senate informing this House that the Senate have passed Bill S-20, an act respecting the labelling, sale, importation and advertising of consumer textile articles to which the concurrence of this House is desired.

It being four o'clock p.m. the House will now proceed to the consideration of private members' business as listed on today's Order Paper, namely, public bills, notices of motions, private bills.

OIL AND GAS PRODUCTION AND CONSERVATION ACT

AMENDMENTS RESPECTING DEFINITIONS, APPLICATION, OIL AND GAS COMMITTEE

The House resumed consideration of the motion of Mr. Chrétien that Bill S-5, to amend the Oil and Gas Production and Conservation Act, be read the second time and referred to the Standing Committee on Indian Affairs and Northern Development.

Mr. Barnett: Mr. Speaker, I rise on a point of order. Inasmuch as you saw the clock so quickly and did not let me finish calling the Premier of British Columbia a tin-pot emperor, I hope you will allow me to adjourn the debate.

• (4:00 p.m.)

PRIVATE MEMBERS' PUBLIC BILLS

NATIONAL TRANSPORTATION ACT

PROVISION THAT RAILWAY COMPANIES RECEIVING GOVERNMENT SUBSIDY SHALL NOT ACQUIRE INTEREST IN MOTOR VEHICLE TRANSPORT UNDERTAKINGS

Mr. Fernand-E. Leblanc (Laurier) moved that Bill C-25, to amend the National Transportation Act (fair competition of railway companies), be read the second time and referred to the Standing Committee on Transport and Communications.

He said:

[*Translation*]

Mr. Speaker, Bill C-25 which I had the privilege to introduce in the House this afternoon is entitled: "An act to amend the National Transportation Act". It could have also been called: Unfair competition of railway companies. This bill was read for the first

time on October 30, 1969. I hope that today we shall be able to pass the motion for second reading and reference of the said bill to the Transport and Communications Committee which would make it possible for the parties involved to appear before the committee and to state their views with regard to this measure. The explanatory note of the bill reads as follows:

> The purpose of this bill is to provide that no railway company receiving money from the government of Canada or from any agency thereof may acquire interest or control in motor vehicle transport undertakings; receiving no subvention or subsidies from the State and being free enterprises, it is only fair that the said railway companies be not subsidized in part for acquiring such free enterprises.

Mr. Speaker, the amendment to the National Transportation Act, which I introduced today, provides that no railway company receiving public funds can acquire any interest in or control of a highway transport undertaking.

This bill has two main purposes: first, to prevent the two largest means of transportation on land, railways and trucking firms, to fall under the control of the same interests; second, to abolish discrimination by prohibiting railway companies greatly favoured by the federal government to compete directly on the highways with private trucking enterprises which must depend on their own financial means.

I think that competition should be based on efficiency and economy. Public grants should not make it possible for a mode of transport to take over another one.

To ensure a sound economy, the intrusion of railroad companies in a competing field is forbidden in most countries, including the United States, because it leads to unemployment, monopolies, and allows a transportation firm to compete with itself. This runs counter to the spirit of the Sherman act on coalitions and monopolies in the United States also probably counter to the combines legislation in Canada.

Mr. Camille Archambault, executive manager of the Association du Camionnage du Québec Inc., who appeared recently before the Standing Committee on Transport and Communications, submitted a brief proving not only that railways compete dishonestly with trucking firms by reducing their rates beyond reason to stifle competition, but also that through their illimited financial means and subsidies from Ottawa they move industries about and can, to a great extent, determine where and how Canadian cities should develop.

In the public interest, I feel that shippers must have the choice of two distinct modes of transport truly in competition with each other. I agree entirely with the American legislation that stipulates that one mode of transport cannot take over another one. In case of a strike, for instance, one can imagine the disaster that would ensue if all means of transport were controlled and administered by the same company.

The present federal legislation concerning the jurisdiction as regards transportation enabled the CNR and the CPR to get into the trucking business. The Quebec Truckers Association had to institute proceedings against the CNR that provided services without a licence from the Quebec Transport Board. That company was found guilty by the court. Later on, they were prosecuted by the Quebec government. Besides, there is another case pending in the Superior Court, in order to have the purchase, by the CNR, of road transport undertakings parallel to their railway lines declared illegal.

As regards the CPR, some proceedings were instituted against them so as to determine the jurisdiction of that company and others are still pending.

Those various facts convinced me of the need for Parliament to pass legislation similar to the American legislation so as to present a mode of transport from buying up another one. Moreover, I believe the legislation should clearly determine the jurisdiction of the federal labour code and of the National Transportation Act, as concerns Part III.

Proceedings are pending as far as the federal labour code in concerned. A Montreal judge said that under the present act, based upon the British North America Act, a trucker providing a city service from one area to another in the metropolis does it in the interest of Canada as a whole, because some of his trucks are used occasionally for interprovincial transport. As far back as 1867 the Fathers of Confederation had already ruled that interprovincial transport by railway, by water or by any other means which were found to help the country's development should come under the jurisdiction of the central governent. Considering the time when they made it, I do not think anybody can question this decision but we are no longer in

1867, we are in 1970, in the space age. Obviously, road transportation, whether interprovincial or transcontinental, has contributed and is still contributing to the development of the country. However, it is also an assential factor in the growth of the provinces and they were the first to encourage trucking. We should therefore confine ourselves to the economic realities entrenched in facts and be relevant, in spite of the 1867 Constitution and notwithstanding the decisions of the courts. It does not make sense to me when some argue that when the operations of trucking businesses are partially carried outside the limits of a province, the whole of the business, including the strictly provincial or urban transport, should automatically fall under the National Transportation Act and the federal Labour Code.

The Americans, whose economy in the field of transport is, in my opinion, one of the most progressive and developed in the world, agree that it is the actual motion of the vehicle which determines whether the business falls under the federal legislation and the Inter-State Commerce Commission.

In Canada, we are facing two realities: the legal or constitutional reality and the economic reality supported by facts.

In order to clear up the uncertainty that exists nowadays about the jurisdiction over road transportation, it would be well, I think, to state that the railway companies must keep to their own field, that is the railroads. However, trucking companies, whether provincial or urban, are under provincial jurisdiction, and only interprovincial vehicles, and those which link Canada to foreign countries, as well as their drivers will be ruled by Part III of the National Transportation Act or will fall under the federal labour code.

I hope that hon. members will allow this bill to be referred to the Committee on Transport and Communications which will examine it more closely.

• (4:10 p.m.)

[*English*]

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, I wish to make a few comments on the bill introduced by the hon. member for Laurier (Mr. Leblanc) and in so doing to state my general support for what it is broadly intended to cover. However, I must make two reservations that apply to the bill. In the final analysis, I think it should go to the Standing Committee on Transport and Communications, there to be more closely scrutinized with the help of expert witnesses who might be called.

My first qualification is this: In these days transportation is not a single factor but a total mix. Transportation involves all forms of transport which are important to our economy. More important, not only must transportation efficiently move objects being transported, but we must ask ourselves whether any particular mode of transport gives to the user the best possible service. We all know that in Canada today our national railways are deeply involved in road transportation and no one really suggests, nor does this bill suggest, that this is improper. Quite the contrary is true. There are many indications that where rail service has been cut back or abandoned in recent years in certain parts of the country, the people living in the areas affected have suffered very serious privation.

My other qualification relates to the widespread use of varying modes of transportation by railway companies, and in particular I refer to air transport. The explanatory note to the bill is as follows:

> The purpose of this bill is to provide that no railway company receiving moneys from the government of Canada or from any agency thereof may acquire interest or control in motor vehicle transport undertaking; the said undertakings receiving no subvention or subsidies from the state and being free enterprises, it is only fair that the said railway companies be not subsidized in part for acquiring such free enterprises.

My qualifications relate in part to the utilization of other forms of transport in connection with air freight. What do these words mean, "The purpose of this bill is to provide that no railway company receiving moneys from the Government of Canada"? There are many ways in which companies owning a broad range of transportation facilities can receive money directly or indirectly from the government. As part of my qualified support of the bill I ask that it be sent to the Standing Committee on Transport and Communications for further study in connection with this question.

My next comment relates to a fear which exists in many parts of Atlantic Canada. Under our present law there is nothing to prevent the government of Canada pouring a tremendous amount of money into Sept Iles and developing a modern container port there. Indeed, this House has before it recommendations that a container-port ought to be developed. As a member of the Standing

Committee on Transport and Communications, I hope the government will move swiftly on that recommendation.

If the bill is intended to provide protection against railway companies moving into the Sept Iles area and operating trucks to the west of the Saguenay River system, I am against it. On the other hand, if it is trying to create a monopoly or near-monopoly in the area, my support for the bill becomes virtually unqualified. As I have said, it is the total transportation package that hon. members must be concerned about. We must make sure that all Canadians obtain the most efficient transportation service available.

Further, I should not like to see Canadian National Railways or, for that matter, any railway company tie up all modes of transport to Sept Iles—which as hon. members may know is not served by rail along the shore of the river—to the extent that a monopoly might be created which could disrupt efforts being made in the port of Halifax to develop an efficient container service. We cannot support too many container ports. This aspect of the matter worries me in view of our National Transportation Act. There is nothing in the act to prevent that happening. I am not saying that a single agency could do it, but that situation might develop.

On the other hand, I should hate to see this virtual monopoly being given to any railway company without there being recourse for redress by this House. The absence of such recourse would have a disastrous effect on the work being done at public expense in Halifax. It seems to me there is not room for two or three container ports. Speaking for myself, if the bill we are considering provides some protection against a so-called monopoly, that could be detrimental. I urge hon. members to consider having these and related questions referred to the committee, which should also look at the wide powers the National Transportation Act has with relation to modes of transport serving areas which constitute a captive market.

On these two grounds, and with these two minor qualifications, I support the bill. The first qualification is that we must accept transportation as a total package and not as something that can be separated into different modes. The other one is the detrimental effect it could have on other areas of Canada and the absence of control of the National Transportation Act if a single agency determined to move in this way. I congratulate the mover of the bill and urge that it be referred to the standing committee for further consideration.

• (4:20 p.m.)

Mr. John L. Skoberg (Moose Jaw): Mr. Speaker, I wish to take part briefly in the debate on Bill C-25. I was particularly pleased to hear the hon. member who preceded me speak about the monopolistic attitude of the railway companies and other companies in Canada. As a member of the transport committee, I believe that our main purpose is to ensure that all Canadians are provided with the most effective and efficient transportation system. I am sure this is exactly what the hon. member for Dartmouth-Halifax East (Mr. Forrestall) meant. He is concerned about a monopoly being instituted in this country which will take over all forms of transportation.

I express some doubt about this bill. We must all realize it is too late and too little, in a general context, to be an effective measure at this time. All of us in the standing committee who visited the maritimes not long ago realized that truck transportation is included under the Maritime Freight Rates Act. I believe if we were to propose a bill at this time dealing with railways only, we would soon have to propose an amendment to the National Transportation Act to deal with trucking systems.

I am sure all those who feel we should keep this country united from east to west realize we must have an efficient trucking system. We are not really looking at the over-all monopoly end of it when we talk about allowing the railways into the trucking industry. The main concern of this House should be that we provide an efficient transportation system.

If the transportation users of this country are to receive the type of consideration they should, naturally we have to look at the entire transportation system. I am not sure of the words of the member who introduced Bill C-25 when he stated that the United States prohibited any form of competition in this field. In the explanatory note it is said that the purpose of the bill is to provide that no railways company receiving moneys from the government of Canada or any agency thereof may acquire interest or control in motor vehicles. I have not gone into the general field to the same extent as the hon. member, but I wonder whether some of the railway companies in the United States also have an interest in trucking concerns. I am not prepared to express an opinion on that matter.

If we are really concerned about railway companies receiving moneys from the federal

government and entering into competition with trucking companies, we must say the same about trucking companies competing in any other field. If we are worried about a monopoly in one field, we must be worried about a monopoly in all fields. It should be very clear that if this bill is referred to the Standing Committee on Transport and Communications, these questions should be dealt with. More explanation must be given to the House before I will support the bill.

Mr. Herb Breau (Gloucester): Mr. Speaker, I take pleasure in participating in this debate on Bill C-25. As indicated in the explanatory note, the purpose of this bill is to provide that railway companies which receive subventions or subsidies from the government do not purchase or control trucking concerns. I wish to state at the outset that I do not think taxpayers' money should be used to compete with free enterprise. In other words, I do not agree with subsidies being given under the National Transportation Act or the Maritime Freight Rates Act to help railway companies compete with the trucking industry.

The purpose of this bill is not only to ensure that the railway companies do not purchase trucking companies; it is specified that the railway companies which receive subventions or subsidies should not acquire control of trucking companies. It should be pointed out that there is a slight difference here. These subsidies should not give to the railway companies an unfavourable advantage in competing with independent truckers.

I was a member of the committee which visited the Atlantic provinces and the north shore of Quebec last year. I was present at the transport committee meeting at Lévis when the president of the Canadian Association of Truckers presented his case. My impression of Mr. Charbonneau's testimony was not that he was so much concerned about any particular subsidy being given to the railway companies, but that this indirectly gave the railway companies an advantage over the independent truckers. I do not agree with him. The record must clearly indicate that even though the CNR receives subventions or subsidies from the government of Canada, this does not mean that in the operation of truck freight or express delivery it is competing with the trucking industry.

We must bear in mind that the railway companies maintain their own track systems. In addition to operating expenses they have large capital expenses which independent companies do not have. The Canadian trucking industry does not have to pay for the roads it uses. It does not have to maintain the roads. I appreciate that they pay sales tax and fuel tax, but they do not have the responsibilities that the railways have.

I was amused when the president of the Association of Truckers said that the trucking industry was at a disadvantage because the railway companies were operating trucking companies. His testimony differed from that of Mr. Palmer, the president of the Atlantic Association of Truckers who appeared before the committee in Fredericton last year. Mr. Palmer said the trucking industry in the Atlantic provinces was not concerned that the CNR or CPR may purchase trucking companies in the Atlantic provinces. He clearly stated that the trucking industry in the maritimes could meet that competition so long as the railways did not manipulate their invoices and waybills in a way that would take advantage of the Maritime Freight Rates Act when they were making deliveries by truck.

• (4:30 p.m.)

Mr. Palmer made the allegation that the CNR was receiving a subsidy from the government of Canada under the Maritime Freight Rates Act to transport goods, say from Montreal to Moncton. Then supposing material was to be shipped to Sussex, 40 miles from Moncton, and could not be transported by rail for one reason or another, the CNR would collect a subsidy on the part of the route from Moncton to Sussex. That part of the route would still be covered by the MFRA.

When Mr. McDougall, the vice-president of the CN Atlantic area, was before the committee, he said this only happened when the railway company had operated a station at the point earlier and had then closed it down. I am repeating what Mr. McDougall said: He told the committee that in no instance did the CN use the subsidy to compete directly with the trucking industry.

I am drawing attention to the conflict between the view of the president of the Canadian association and that of the president of the Atlantic association. The president of the Atlantic association said clearly that he was not concerned about the CNR and CPR buying trucking concerns in the Atlantic provinces, because he felt his people could compete with them.

I return to the principle of whether the railway companies should or should not enter the trucking business. I should like to see this

issue discussed and decided by Parliament. In other words, Parliament should decide whether the railway companies should be permitted to buy-out trucking operators. I am not sure whether it would be advantageous to prevent their doing so. It seems to me that the trucking industry is trying to preserve its interests. If it could get rid of its biggest competitors, CN and CPR, it would be better off. I do not see anything wrong with Canadian Pacific and Canadian National going into the trucking business so long as they do not use the subsidies they receive from the government to this end. It leads to better competition; it leads to more efficient service; it keeps the trucking industry on the ball.

[*Translation*]

Mr. Speaker, I agree with the hon. member for Laurier (Mr. Leblanc) that the trucking industry has made a significant contribution to the economic expansion of our country.

During the hearings held in Lévis by the Transport and Communications Committee, it was pointed out that Northern Quebec, for example, had been developed exclusively through the trucking industry, and the same is true of the paper industry in the Chibougamau area.

There is no question of belittling the part played by the trucking industry, but it is unfair to say merely that the Canadian National, the Canadian Pacific or some other railway company are using government subsidies to purchase trucks or trucking companies.

In my opinion, we should make sure that the grants will not directly be used in an unfair competition with the trucking industry.

Before concluding my comments, I would like to say a few words about the M.F.R.A. grants, a question which was raised by Mr. Palmer before the members of the committee in Fredericton. Indeed, I would have liked the Canadian Transport Commission to decide whether really the C.N.R. or the C.P.R. in the Atlantic provinces were entitled, thanks to the M.F.R.A. grants, to pay the transportation costs of products by truck. This issue seemed to me very confusing. In other words, the Canadian National somewhat deviated from the principle under which the M.F.R.A. applied only to railway transportation. Of course, before the passing last summer of the legislation on the assistance to trucking in the Atlantic provinces, I would have liked the Canadian Transport Commission to render a decision which would have indicated whether the C.N.R. had acted in a legal way.

[*English*]

Mr. A. C. Cadieu (Meadow Lake): This is quite a controversial bill, Mr. Speaker, and I should like to compliment the hon. member for Laurier (Mr. Leblanc) for bringing it in. Although it is not a government measure, it is one to which we should give a good deal of study. Railways subsidized by the treasury are entering the trucking industry to an increasing extent. In many cases these railway companies have behaved very unjustly toward a lot of settlements. I say this because they did not complete the branch lines which they had been given charters to build. This resulted in many injustices to communities in my constituency.

Now the railways are trying to put private trucking companies out of business. Since they are subsidized in the first place, they can very easily do this. They can haul in trucks piggy-back most of the way, and then put private enterprise out of business. It is likely that small truckers pioneered this business in the first place, the railways companies not having thought it worth while to complete the branch lines they had been au horized to build. This is a situation which deserves close study by all hon. members. We have all seen what the railways can do by moving trucks piggy-back over the long haul and then delivering within a district by road.

It is possible that some of these communities would never have received the benefits of a trucking service had not private businessmen been enterprising enough to provide it. Now, apparently, the railway companies intend to put the private firms out of business. I believe they are again taking advantage of the rural communities in their master station plan. They are doing a disservice to many of these places by removing the station agent and using through-trains. Now the attempt is being made to put the small trucker out of business.

• (4:40 p.m.)

I think this matter warrants very careful consideration before we allow any company which has been subsidized to this extent to compete against private enterprise and push other companies around, as they very easily could. Many companies were prevented from building lines because the national railways had the charter, even though they never fulfilled their part of the bargain. Many truck lines would not have been required had these rail lines been completed. I think the House should take a good look at the bill before giving it passage.

National Transportation Act

Mr. Judd Buchanan (London West): Mr. Speaker, with some regularity in the past we have condemned and criticized our railroads for their lack of aggressiveness and their complacency. It is my understanding that an article which appeared recently in the "Harvard Business Review"—it has apparently been their most requested reprint—used the railroads as the classic example of what they called "marketing myopia". It was said to be the industry that has shown outstanding lack of imagination and lack of initiative.

At the turn of the century the railroads were dominant and all-powerful. It is my understanding that somewhere along the line Sir Edward Beattie remarked that he would far rather be president of the CPR than prime minister of Canada. Yet half a century later one finds throughout North America the majority of the railroads in receivership, in bankruptcy, or surviving on subsidies paid them by governments. Certainly they suffered during this period from marketing myopia and allowed the trucking industry, the airlines, the bus companies and pipelines to take over a substantial part of their market. They conceived of themselves as being in the railroad business, not in the business of transporting people and moving goods, or in the business of serving or developing markets.

As I said, Mr. Speaker, they suffered from marketing myopia and belatedly have been shaking off their lethargy; and now as we move into the last half of the 20th century it is my opinion that this bill proposes to push them back into the railroad industry and to once more limit their vision.

Bill C-25 proposes that if a railway receives subsidies or moneys from the government, it may not acquire, directly or indirectly, any interest or control in a trucking firm. If there was a way in which the railways could misuse subsidies paid to them for the purpose of buying truck lines, one could readily support the principle of this bill. The intention of the National Transportation Act is to enable all modes of transport to compete on fair conditions. The government does not propose to make taxpayer's money available to the railways for the purpose of buying up independently-owned trucking firms.

There are three points to be made about Bill C-25. First is the nature of the subsidies that the railways receive; the fact that each subsidy is paid to the railways for a specific purpose that does not include the purchase of truck lines and that leaves nothing extra for the railways to use on that account. The second point is that there is a provision in the Railway Act that bars any railway under federal jurisdiction from mixing up its railway and trucking accounts in a way that would enable the trucking operation to obtain indirectly any subsidy from the government. The third point is that there exists in the National Transportation Act a specific provision, the object of which is to prevent acquisition in the transportation field which will unduly restrict competition or otherwise adversely affect the public interest.

Although the railways receive, as yet, no subsidies for passenger services, they are entitled to such subsidies if the Canadian Transport Commission determines that a service they operate at a loss must be continued in the public interest. The railways will have no money from this source to play around with in regard to truck line purchases. The National Transportation Act does not permit any extra in compensating the railways for passenger losses. The appropriate section does not permit compensation for the full loss which the railroads incurred. I understand they get approximately 80 per cent of the loss, which has to be certified by the commission.

The only large-scale subsidy that the Canadian railways receive is what is left of the subsidy that had its origin in the Freight Rates Reduction Act of 1959. That act reduced railway non-competitive class and commodity rates and provided $20 million to the railways in compensation for their revenue loss. By 1967 the $20 million in annual rail subsidies had risen to $110 million. There had been two more wage settlements. Rail rates remained frozen. The policy of governments of that day, both Conservative and Liberal, was to restrain further across-the-board freight rate increases pending the introduction of new national transportation legislation and they continued to compensate the railways for the revenue losses incurred as the result of the freight rate freeze.

Railway rates were frozen in 1959, and for a period of seven years did not move upward. Operating costs were not frozen; on the contrary, they were increasing substantially. The losses sustained by the railways in not being able to raise their rates were compensated from the federal treasury. When there is on the one hand a frozen price structure, and on the other hand a situation of substantially increasing costs, it is obvious that nowhere can a subsidy be applied except in the situation for which the subsidy is created, namely, the defraying of losses sustained. There is no

evidence to sustain a contention that subsidies given to the railroads have played a significant, or any, part in their acquisition of truck lines.

I think another significant point, and one of which we should be aware, is that the large-scale subsidy to which I have just referred and which amounted to roughly $120 million in 1967 has since been going down each year at the rate of $14 million. At the end of the fiscal year 1974 it will have disappeared. The railways received $96 million in 1968, $82 million in 1969, and will get $68 million in 1970, and so on, on a reducing scale, with a final payment of $12 million in 1974.

Another concern one must have about this question, one that quite possibly the author of the bill had in mind when he framed it, is that even if a railway has no opportunity to finance the purchase of a truck line either wholly or in part from subsidy moneys paid to it, does the rail carrier not have the opportunity, once the purchase is made, to inject into its truck line financial sustenance drawn from government subsidies or other moneys?

The answer is that the law requires the railway companies to maintain separate accounting of the assets and earnings of their rail and non-rail enterprises. The law also requires that the railways maintain separate accounting of the operation of their various modes of transport. If, for example, a railway company operates a railway, subsidiary truck lines, an airline and steamships, the accounts for each mode shall be separately maintained. The object of this requirement of the law is to prevent cross-subsidization of rail and rail-controlled modes of transport.

These provisions impose responsibility for enforcement upon the Canadian Transport Commission. To ensure that the conditions set out are met, the commission is required by section 387 to review and revise the uniform classification of accounts at intervals no longer than every two years.

• (4:50 p.m.)

The third point emphasized was the statutory protection of the public that already exists in the National Transportation Act. In the context of section 20 of that act, one of the stituations covered is the purchase of a truck line by a railway and the possibility of restriction of competition or the creation of a monopolistic situation which might work against the public interest. The act provides that in the case of an objection, the Canadian Transport Commission, following an investigation which it must conduct, may disallow the proposed acquisition of that truck line by a railway if it is the commission's opinion that the acquisition would unduly restrict competition or otherwise be prejudicial to the public interest.

Subsidies paid to Canadian railways are of a nature that leaves nothing for the purchase of truck lines. In addition, the National Transportation Act contains safeguards for the public interest in respect of acquisition by a railway of a competing truck line. I believe it is the hope of all Canadians that an integrated road-rail system can reduce the distribution cost in our country, and that by combining the advantages of low-cost rail transportation with the flexible advantages of highway delivery our transportation systems can assist in opening up high-cost, low-volume markets. Canada is too vast and sparsely populated to be deprived of the very obvious advantages of an integrated road-rail system. It seems to me that is the intent of this bill and I therefore find myself in opposition to the principles it embraces.

Mr. F. J. Bigg (Pembina): Mr. Speaker, as this is a private member's bill I shall be brief in my remarks because I think it should probably come to a vote. It is obviously not the intention of the government to protect private enterprise, because if it were this would be a government measure. I see a necessity in this socialistic state which we are rapidly approaching for some protection for private enterprise. This is the reason I speak in favour of the bill. I see the necessity, however, for the railways to be a paying proposition. But I suggest that if the railways streamlined their operations properly they would not find it necessary to engage in the private enterprise trucking industry.

I join my colleague the hon. member for Meadow Lake (Mr. Cadieu) in reminding the railways that their policy over the past 40 years has been strictly selfish. They do not try to give proper service according to the charter under which they were set in operation. The railways claim they have continually lost money in operating passenger service. One speaker mentioned they have had no compensation for this loss. They have not had compensation in cash grants for the loss, but one need only look at the vast holdings, especially of the CPR, to see that they have been paid in the form of oil and mineral rights alone, not to mention the real estate they own in every major city of Canada. I venture to

suggest that if they sold their rights-of-way at present real estate prices in any major city in Canada, they would be compensated for all the losses they have ever suffered in providing the transportation services they have provided.

When the railways have lost money they have always been able to come to the federal government, unlike ordinary free enterprise, and have the government come to their rescue. During one particular depression year the CPR received no less than $60 million in the form of an outright gift. Indeed, at one time it would have been better to have been head of the CPR than prime minister of Canada. With socialism rushing upon us, I am afraid a bill of this type is needed to protect the private citizen of Canada. I hope members of this House will stand, be counted and say that this bill should at least be passed in principle.

Mr. Gérard Loiselle (Parliamentary Secretary to Minister of Transport): Mr. Speaker, I understand that my friend suggested that members of the House would like to see the bill passed. I have an opinion in that regard. In my opinion some hon. members are against the bill, and I must be allowed to express my opinion. I hope my hon. friend will extend this privilege to me.

Mr. Knowles (Winnipeg North Centre): We are used to you on the late show.

[*Translation*]

Mr. Loiselle: Mr. Speaker, I am pleased to congratulate for his patience and energy our colleague the hon. member for Laurier (Mr. Leblanc) who, for the second consecutive year, is bringing in this bill which is important as we found out this afternoon in listening to the debate. Some members may have opposed the principle of this bill which tends to eliminate unfair competition to private enterprise. This is the reason why the member for Laurier brought in the bill.

Despite their opposition to some clauses of the bill, the members who spoke have at least recognized that private enterprise must be protected. Some hon. members may oppose the principle of this bill, but I believe that most of them will agree to it.

On the other hand, I understand that the hon. member for Laurier expresses some fear, but we must also admit that grants awarded by the federal government to the railway companies are not used for the purchase of private trucking businesses. As a matter of fact, they are used only to make up the railways' deficits.

Under section 387 of the Railway Act, funds provided by the central government or any government agency, to the Canadian Pacific or the Canadian National, must not be used for the purchase, control or operation of private trucking businesses, which have the right to exist, because they contribute to a great extent to the economy's growth.

On several occasions this afternoon it was said that private enterprise plays an important role in trucking. Thanks to the suggestions made this afternoon and to some hon. members' obstinacy, we might manage to protect private enterprise and perhaps, in some fields, improve the condition of the trucking concerns, while recognizing that some competition, unfair to neither of the parties concerned, should exist. Any hon. member should keep on making suggestions—

[*English*]

The Acting Speaker (Mr. Béchard): Order. The hon. member for Kitchener (Mr. Hymmen) is rising on a point of order.

Mr. Hymmen: Mr. Speaker, may I have the unanimous consent of the House to revert to presenting reports.

The Acting Speaker (Mr. Béchard): Does the House give unanimous consent?

Some hon. Members: Agreed.

ROUTINE PROCEEDINGS

EXTERNAL AFFAIRS AND NATIONAL DEFENCE

Second and third reports of Standing Committee on External Affairs and National Defence—Mr. Hymmen (for Mr. Wahn).

PRIVILEGE

MR. McGRATH—PHASING OUT OF ARGENTIA NAVAL BASE

Mr. James A. McGrath (St. John's East): Mr. Speaker, I rise on a question of privilege under Standing Order 17. At 4.30 p.m. this afternoon, Newfoundland time, an announcement was made in Newfoundland that the Argentia naval base would be phased out and that approximately 600 Canadian citizens employed on this United States installation would be laid off on 30 days' notice.

My question of privilege is based upon the fact that we have raised this question in the House on a number of occasions. I rise in my place today on behalf of my colleague the hon. member for St. John's West (Mr. Carter) who is not aware that this has taken place because he is now on his way to Newfoundland. My colleague the hon. member for St. John's West, myself and other hon. members have raised this question in the House on a number of occasions.

• (5:00 p.m.)

Clearly, there is a responsibility on the part of the government of Canada. We find it reprehensible and an act of gross irresponsibility that this announcement should have been made in the way it was by the commander of the base. We feel that if there was to be an announcement of this nature, inevitable though it may have been, it should have been made in the House of Commons. It was only this morning, before the House convened for the day's sitting, that I directed a private inquiry to the government to ask what was the status of the U.S. naval base at Argentia at the present time. I was told that they did not know, and that telegrams were being exchanged back and forth.

I find it difficult, if not impossible, to imagine that this announcement would have been made without the advice or consent of either the Minister of National Defence (Mr. Cadieux) or the Secretary of State for External Affairs (Mr. Sharp). This is a crippling, crushing blow to the already crippled economy of Newfoundland which is currently suffering the consequences of an unemployment rate in excess of 20 per cent.

I rise today on this question of privilege to serve notice that we should expect a statement from the government, when the House meets on Monday on exactly how the government can reconcile this announcement, made in the manner in which it was, with its statements in the House and with the current activities of the Department of Regional Economic Expansion. Clearly, the responsibility is placed squarely on the shoulders of this government to act very quickly.

The Acting Speaker (Mr. Béchard): Order, please. It being five o'clock, this House stands adjourned until Monday at 2 p.m.

At 5.05 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Monday, February 16, 1970

The House met at 2 p.m.

[*Translation*]

ROUTINE PROCEEDINGS

HEALTH, WELFARE AND SOCIAL AFFAIRS

Second report of Standing Committee on Health, Welfare and Social Affairs, in French and in English—Mr. Isabelle.

[*Editor's Note: For text of above report, see today's Votes and Proceedings.*]

[*English*]

AIR TRANSPORT

DEFERMENT OF PROCLAMATION OF TAX ON FARES

Hon. Herb Gray (Minister without Portfolio): Mr. Speaker, I wish to make a statement on the air transportation tax. As the House will recall, a bill was passed by the House on December 11 last and later given Royal Assent which provided for tax on air fares, to be imposed directly on purchasers of fares and collected by the airlines. It was to come into force on a day to be fixed by proclamation.

The Prices and Incomes Commission has asked governments to delay increases in charges that are intended to recapture a larger proportion of the costs of services provided to the public. As part of its response to this request of the commission the government has decided to defer proclamation of the air transportation tax until 1971.

Some hon. Members: Hear, hear.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, on December 11 last an amendment providing for a six months' hoist was moved by this party to the motion for second reading of the bill in question. That amendment was voted down. I am glad to see now that the minister has taken note of the very sensible words spoken then by the hon. member for Edmonton West and other hon. members of the House on the opposition side and has decided upon the course of wisdom. I only hope that the minister and his colleagues will listen to us a little more frequently and that with the help of the additional research staff now provided for the backbenchers of the Liberal party, all of whom voted against us on that bill, we can hope for a little more discretion—

Mr. Speaker: Order, please.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, we also voted against this tax so we too are glad that it has been postponed until next year. One dares to hope that the response the government has made to the request of the Prices and Incomes Commission is an indication that there will be no tax increases in next month's budget or, better still, some decreases.

• (2:10 p.m.)

THE CANADIAN ECONOMY

INFLATION—TABLING OF STATEMENT BY PRIME MINISTER AT FEDERAL-PROVINCIAL CONFERENCE

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I would like to table copies of the remarks made today by the Prime Minister, on the problem of inflation as seen by the federal government, to the federal-provincial conference.

BUSINESS OF THE HOUSE

Mr. Macdonald (Rosedale): Mr. Speaker, I would like to announce a change in the business for today. As previously indicated, the first item of business today will be the Supreme Court Act amending bill, C-182, which is government order No. 66. I had announced last Thursday as the second item of business government order No. 68, the shipping conferences bill. I regret to say that we will not be in a position to go ahead with it today. Instead we will go ahead with government order No. 61, Bill C-179, respecting investment companies, to be followed by government order No. 36, the Canada-Sweden Tax Convention.

Proposed Legislation

LAW REFORM COMMISSION BILL

ESTABLISHMENT, OBJECTS, POWERS AND DUTIES, ETC.

Hon. John N. Turner (Minister of Justice) moved for leave to introduce Bill C-186, to establish a commission for the reform of the laws of Canada.

Motion agreed to, bill read the first time and ordered to be printed.

NORTHERN INLAND WATERS BILL

CONSERVATION, DEVELOPMENT AND UTILIZATION OF RESOURCES

Hon. Donald S. Macdonald (for the Minister of Indian Affairs and Northern Development) moved for leave to introduce Bill C-187, respecting inland water resources in the Yukon Territory and the Northwest Territories.

Motion agreed to, bill read the first time and ordered to be printed.

DISCLOSURE OF INTERESTS BILL

ANNUAL DECLARATION BY SENATORS, MEMBERS OF PARLIAMENT AND CERTAIN OTHERS

Mr. Stanley Knowles (Winnipeg North Centre) moved for leave to introduce Bill C-188, respecting the disclosure of financial interests by Senators, Members of the House of Commons and certain other persons.

Some hon. Members: Explain.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, on June 6, 1969, the Prime Minister said he would welcome constructive suggestions concerning the problem of conflict of interest. I believe that that request was made in good faith and this bill is a response in the same vein. Its purpose is to require that Senators and members of this House and certain other persons make an annual declaration of their outside financial interests so that the public will be able to judge whether a conflict of interest is involved in the formulating or the support of any particular piece of legislation.

Motion agreed to, bill read the first time and ordered to be printed.

[Mr. Macdonald (Rosedale).]

PAROLE ACT

AMENDMENTS RESPECTING CONSECUTIVE AND CONCURRENT SENTENCES, EFFECT OF FORFEITURE

Hon. G. J. McIlraith (Solicitor General) moved the first reading of Bill S-19 (from the Senate), to amend the Parole Act.

Motion agreed to and bill read the first time.

TEXTILE LABELLING BILL

MEASURE RESPECTING CONSUMER ARTICLES

Hon. Donald S. Macdonald (for the Minister of Consumer and Corporate Affairs) moved the first reading of Bill S-20 (from the Senate), respecting the labelling, sale, importation and advertising of consumer textile articles.

Motion agreed to and bill read the first time.

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

DOCKING FACILITIES, HERSCHEL ISLAND

Question No. 403—**Mr. Barnett:**

1. Have any organizations been in touch with the Canadian Government about building docking facilities at Herschel Island in the Canadian Arctic and, if so, what are the names of these organizations?

2. Has the advisability of development of a loading facility at Herschel Island for Prudhoe Bay oil been considered by the government and, if so, what is the position of the government on this matter?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): 1. No.

2. Yes, it is being studied by the Department of Public Works.

LABOUR DISPUTES SETTLED BY FEDERAL GOVERNMENT ASSISTANCE

Question No. 475—**Mr. Robinson:**

1. How many labour disputes have been settled by federal government mediation and/or negotiation and/or assistance during each of the years 1960-1969 inclusive?

2. What was the percentage increase awarded in each of the settled disputes?

3. What was the average percentage increase awarded as a result of labour disputes in each of in the labour disputes in which the federal government was in any way involved?

4. What was the average percentage increase awarded as a result of labour disputes in each of the years 1960-1969 inclusive in which the federal government was not in any way involved?

Hon. Bryce Mackasey (Minister of Labour): 1.

Fiscal Year Ending March 31	Number of Settlements
1960	100
1961	67
1962	76
1963	74
1964	61
1965	86
1966	99
1967	112
1968	104
1969	141

2, 3, and 4. This information is not available. There are no tabulations of the type required and the creation of such statistics would involve a very substantial amount of work.

SPECIAL OFFICE FACILITIES, MINISTERS AND OTHERS

Question No. 485—**Mr. Coates:**

1. How many Members of Cabinet have special facilities such as kitchenettes, showers, after shower driers, bars, sleeping quarters, etc., attached to their offices?

2. What are the names of the Ministers who have these facilities and what facilities does each Member in question have?

3. How many Deputy Ministers, and Chairmen of Boards and Commissions, have special facilities such as kitchenettes, showers, after shower driers, bars, sleeping quarters, etc., attached to their offices?

4. What are the names of the Deputy Ministers and Chairmen of Boards and Commissions, who have these facilities and what facilities does each person in question have?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): 1. 14.

2. The Hon. H. A. Olson, facilities for heating water and warming a limited quantity of food.

The Hon. Eric W. Kierans, kitchenette.

The Hon. Ron. Basford, small cloakroom containing kitchenette.

The Hon. Jean Chrétien, kitchenette shared with Deputy Minister.

The Hon. Bryce Mackasey, shower attached to West Block office and a kitchenette and a shower attached to his departmental office.

The Hon. John C. Munro, kitchenette.

The Hon. Jean Marchand, shower.

The Hon. Gérard Pelletier, kitchenette.

The Hon. G. J. McIlraith, kitchenette.

The Hon. James Richardson, shower and kitchenette.

The Hon. C. M. Drury, shower.

The Hon. Jean-Eudes Dubé, shower.

The Hon. Otto E. Lang, shower.

The Hon. Robert K. Andras, kitchenette.

3. Five.

4. Dr. J. R. Weir, Chairman, Fisheries Research Board, microscope laboratory facility.

Mr. J. A. MacDonald, Deputy Minister of Indian Affairs and Northern Development, kitchenette shared with Minister.

Mr. J. D. Love, Deputy Minister of Labour, kitchenette.

Mr. H. R. Balls, Deputy Minister of Services, shower.

Mr. Jacques M. Desroches, Chief Commissioner of the Unemployment Insurance Commission, kitchenette.

INCOME SECURITY PLAN

Question No. 590—**Mr. Southam:**

Is it the intention of the government to implement a new income security plan to replace the present system of public assistance as recently recommended by the Federal-Provincial Task Force?

Hon. John C. Munro (Minister of National Health and Welfare): The Government of Canada is presently conducting a study of federal social security programs. Any decisions arising from that study will be announced by the Government in the usual manner.

RECOMMENDATIONS OF BILINGUALISM AND BICULTURALISM COMMISSION

Question No. 633—**Mr. Coates:**

1. What has been the total number of recommendations submitted by the Royal Commission on Bilingualism and Biculturalism, to date, and how many of these recommendations are (a) purely federal (b) federal-provincial (c) purely provincial in character?

2. Of the recommendations submitted in the three categories above, how many have been acted upon and, in each instance, what was the recommendation and what action was taken by the federal government?

3. Of the recommendations submitted by the Royal Commission on Bilingualism and Biculturalism that have been acted upon by either the federal government or through federal-provincial co-operation, what has been the federal government's contribution financially?

Questions

4. Has the federal government provided the provincial governments who have acted upon recommendations that were provincial in character with financial assistance and, if so, what were the recommendations and what was the amount of financial assistance in each instance?

Mr. J. E. Walker (Parliamentary Secretary to Prime Minister): To date, the Royal Commission on Bilingualism and Biculturalism has published three volumes of its Report. Book III was tabled on December 17, 1969; the Government has not yet taken any position regarding its recommendations.

Book I contained fourteen recommendations, of which two were directed to the federal Government. One of these recommended that English and French be formally declared the official languages of the Parliament of Canada, of the federal courts, of the federal Government and of the federal administration. The other recommended that the federal Parliament adopt a federal Official Languages Act and the Governor in Council appoint a Commissioner of Official Languages charged with ensuring respect for the status of French and English in Canada. Six other recommendations would involve both the federal and provincial Governments, and a further six were addressed essentially to the provinces.

Book II contained 46 recommendations. Of these, twelve were directed to the federal Government but will require federal-provincial co-operation to implement; the other 34 appear to be essentially in the provincial domain.

As the result of passage by Parliament of the Official Languages Act, the federal Government has taken action in respect of the two recommendations of Book I which were addressed to it—with the exception of the appointment of the Commissioner of Official Languages. In accordance with section 19(2) of the Official Languages Act, this appointment will be submitted to Parliament shortly for approval. The federal Government has also accepted the principles underlying the other recommendations of both Books I and II in which it is involved; they are presently under study by all the governments concerned.

To date, the federal Government has made two financial commitments to the provinces regarding these recommendations. The first of these commitments is to pay 50 per cent of the cost of preliminary studies undertaken by the provinces in this field. The second was announced in the House of Commons by the Secretary of State on November 6, 1969; this statement appears as an Appendix to the *House of Commons Debates* of that day. Under this commitment the federal Government indicated its willingness to co-operate with the provinces in respect to provincial bilingualism programs in the field of education to the order of approximately $50 million for a full year of operation. Negotiations to this end are presently under way.

[Mr Coates.]

CANADA PENSION PLAN COLLECTIONS AND PAYMENTS

Question No. 751—**Mr. Orlikow:**

1. What was the total amount collected for the Canada Pension Plan in 1968?

2. How much was paid out in 1968?

3. What was the total amount collected for the Canada Pension Plan since its inception?

4. How much has been loaned to each of the provinces during the total period?

5. What is the total amount credited to the Canada Pension Plan, including all loans as at December 31, 1968?

Hon. John C. Munro (Minister of National Health and Welfare): 1. Contributions—$686,017,000; Total Revenue—$765,344,000.

2. $10,274,000 was paid in benefits for the calendar year 1968.

3. The amount of contributions from the beginning of the plan up to the end of December 1968 is $1,840,433,000. The total revenue for that period is $1,962,718,000.

4.

Securities of or Guaranteed by	Investments in dollars $
Newfoundland	34,523,000
P.E.I.	6,435,000
Nova Scotia	70,170,000
New Brunswick	53,487,000
Quebec	3,912,000
Ontario	1,042,945,000
Manitoba	108,247,000
Saskatchewan	82,576,000
Alberta	164,896,000
British Columbia	267,942,000
Gov't of Canada	10,386,000
All Jurisdictions	1,845,519,000

5. The balance of the Canada Pension Plan Account as of December 31, 1968 was $1,916,200,993.

OATH OF ALLEGIANCE, CYC PERSONNEL

Question No. 767—**Mr. Diefenbaker:**

Are members of the Company of Young Canadians required to take the Oath of Allegiance and, if not, for what reason?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): I am informed by the Company of Young Canadians as follows: The members of the Company of Young Canadians are not part of the Public Service. The requirement to take the Oath of Allegiance set out in the Public Service Employment Act would therefore not apply in such cases.

[*English*]

POLLUTION STUDY BY DEPARTMENT OF ENERGY, MINES AND RESOURCES

Question No. 772—**Mr. Orlikow:**

1. Is the Department of Energy, Mines and Resources undertaking a study on pollution and, if so (a) have private consulting firms been engaged to conduct all or part of this study (b) what companies or individuals have been hired and what amounts of money are these to be paid?

2. Was there any competitive tender for these studies and, if so, who were the other companies and what were their respective bids?

Mr. R. J. Orange (Parliamentary Secretary to Minister of Energy, Mines and Resources): 1 and 2. A major part of the over-all Water Sector Program of the Department of Energy, Mines and Resources consists of activities involving various aspects of environmental pollution, with particular reference to water pollution. These activities include a wide range of investigations and studies which are being conducted both inside and outside the Sector.

The question asks for particulars on "...a study on pollution...". Without more specific identification of the study referred to in the question, it is not possible to provide the requested information.

TELESAT CANADA ACT

Question No. 779—**Mr. Orlikow:**

On what information did the Prime Minister base his statement of November 21, 1969 at Harrison Hot Springs, British Columbia, that the Act which established Telesat Canada aroused no controversy and almost no discussion at the last session of Parliament?

Mr. J. E. Walker (Parliamentary Secretary to Prime Minister): The reference to the Telesat Canada Act in the Prime Minister's speech of November 21st, 1969 was directed not to the quantity of discussion both inside and outside Parliament at the time the Bill was under debate, but rather to the nature of that discussion. The speech discussed the social and political implications for Canada of certain events. The establishment of Telesat Canada aroused relatively more comment about the proposed corporate structure of the agency than about the implications for Canadian society of a satellite communications system. It was in this sense that the passage in the speech was intended to be understood.

VISIT TO CANADA BY THE QUEEN

Question No. 780—**Mr. Schumacher:**

1. Was a formal invitation extended to Her Majesty the Queen to visit Ottawa when she is in Canada July 5 to July 15, 1970?

2. Will the Prime Minister be on hand personally to welcome Her Majesty to Canada and, if so, what are the dates and what are the arrangements for this formal welcome by the Prime Minister?

3. Did the Prime Minister state that the Details of the visit will be made public in the form of a press release and, if so, will it now be the practice of the government to refer to arrangements made for Her Majesty by press release, rather than by statements in the House of Commons?

Right Hon. P. E. Trudeau (Prime Minister): 1. No. In view of the short time available to Her Majesty for this visit, it was Her Majesty's wish and the wish of the Government of Manitoba and the Council of the Northwest Territories that she spend as much time as possible at their centennial celebrations.

2. The final program for the visit has not yet been approved by the Queen. However, it is planned that the Governor General and the Prime Minister will be on hand to welcome the Royal visitor.

3. Announcements concerning Her Majesty's visit will continue to be made in the House. Detailed plans will be quite lengthy and the government has no objection to tabling these in the House at the appropriate time. It is the government's wish, however, to give the widest possible publicity to this Royal tour, including the issue of appropriate press releases.

LOANS TO FEDERAL GOVERNMENT BY CHARTERED BANKS

Question No. 810—**Mr. Mather:**

1. What is the total in dollars loaned to the Government of Canada by the chartered banks in the past five years?

2. Can the Bank of Canada issue credit, in the form of loans, to the Government of Canada?

Questions

Hon. E. J. Benson (Minister of Finance): 1. The chartered banks do not make loans to the Government of Canada. They do buy and sell Government of Canada securities, and their holdings of such securities are published each month in the *Canada Gazette*.

2. Under Section 18(1) of the Bank of Canada Act, the Bank of Canada may make loans to the Government of Canada but in practice has rarely done so. The bulk of the Bank's assets are in the form of Government of Canada securities and its holdings of such securities are published weekly and monthly in the *Canada Gazette* and in the Bank's own publications.

CANADIAN COMMUNICATIONS SATELLITE

Question No. 814—**Mr. Macquarrie:**

1. When is it expected that Canada's communications satellite will be ready for launching?

2. What is the current estimated total cost of constructing and launching the satellite?

Hon. Eric W. Kierans (Postmaster General and Minister of Communications): 1. Telesat Canada informs the Minister that more precise information on the launch date for the Canadian domestic communications satellite will not become available until after the contract for the project definition phase is complete. In the meantime, the Minister is given to understand that Telesat Canada expects that the first satellite will be launched in 1972.

2. As stated in the reply to part one of this question, precise information on costs will not become available for several months.

ADJUSTMENT TO PENSION PAYMENTS

Question No. 831—**Mr. Robinson:**

Will the federal government consider repealing the 2% maximum on the cost of living adjustment to pension payments and replace it with an escalator clause directly proportional to changes in the Consumer Price Index?

Hon. John C. Munro (Minister of National Health and Welfare): As in the case of other policy decisions relating to the adjustment of pension payments, these matters will be considered and announced in the usual manner.

SASKATOON—LOW RENTAL HOUSING UNITS

Question No. 839—**Mr. Gleave:**

What is the amount to be contributed by (a) the federal government (b) the provincial government (c) the City of Saskatoon, toward construction of 50 low-rental housing units to be constructed in two projects in that City?

[Mr. Mather.]

Hon. Robert K. Andras (Minister without Portfolio): The amounts to be contributed toward the construction of 50 low-rental housing units to be constructed in two projects in the City of Saskatoon are: (a) By the Federal Government, $402,825.00; (b) By the Province of Saskatchewan, $107,420.00; (c) By the City of Saskatoon, $26,855.00.

SASKATOON—HOUSING UNITS FOR RESIDENTS OF INDIAN AND METIS ANCESTRY

Question No. 840—**Mr. Gleave:**

What is the amount to be contributed by (a) the federal government (b) the City of Saskatoon, toward the acquisition of the 11 existing single-detached housing units to be made available to residents of Indian and Metis ancestry in that City?

Hon. Robert K. Andras (Minister without Portfolio): The amounts to be contributed toward the acquisition of the 11 existing single detached housing units to be made available to residents of Indian and Métis ancestry in the City of Saskatoon are: (a) By the Federal Government, $91,500; (b) By the City of Saskatoon, Nil. The remaining 25 per cent will be contributed by the Province of Saskatchewan.

VALUE-ADDED TAX

Question No. 861—**Mr. Robinson:**

1. Will the federal government consider the "value-added tax" when the changes in the tax system are being considered?

2. If the "value-added tax" is to be utilized, will it be effected at all levels of production (manufacturer, wholesaler, retailer, etc.)?

3. What advantage would such a tax have for Canada?

4. How much money is it estimated could be obtained by such a tax?

5. Would such a tax obviate the necessity of any other direct or indirect taxes and, if so, what ones and how much would be the financial loss of the other sources of taxation?

6. How many countries now use the "value-added tax" and with what success or failure?

7. Would the "value-added tax" apply to services as well as products and, if so, what services would be affected.

8. Would such a tax in any way affect provincial tax revenue potential?

Hon. E. J. Benson (Minister of Finance): 1. The government studies various features of the tax systems of foreign countries to benefit from their experience, but consideration of any new tax would be a matter of government policy that would be announced at the appropriate time.

2. See number 1.

3. Not known.

4. This would depend upon rate of tax.

5. The replacement of one tax by another would be a matter of government policy.

6. Nine countries in Europe now use or are in the process of introducing a value-added tax.

7. This would be a matter of government policy.

8. This would depend upon the form and weight of the tax.

LIVERPOOL HARBOUR, N.S.—DREDGING

Question No. 869—**Mr. Crouse:**

1. Is the government planning a complete dredging survey of Liverpool Harbour in Nova Scotia and, if so, what will be the extent of this survey, and to what depth will dredging be carried out?

2. Has the government any plans for actual dredging operations in this harbour and, if so, what is the amount of funds that will be allocated for this project?

Hon. Arthur Laing (Minister of Public Works): 1. Yes from highway bridge to Fort Point including mooring area behind the public wharf. Dredge depths would be 14 feet below L.W.O.S.T. in mooring area behind wharf and 11 feet below L.W.O.S.T. in access channel area.

2. It is planned to include an item for $50,000 in the 1970-71 Estimates to cover. Execution will depend on availability of funds.

AMHERST, N.S.—NUMBER OF REGIONAL ECONOMIC EXPANSION EMPLOYEES

Question No. 884—**Mr. Coates:**

How many employees of the Department of Regional Economic Expansion are presently located at Amherst, N.S., and what will be the total employment on April 1, 1970?

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): As of January 21, 1970, 40; As of April 1, 1970, 45.

VEGREVILLE, ALTA.—CLOSURE OF POST OFFICE FACILITIES

Question No. 890—**Mr. Mazankowski:**

What post office facilities in the constituency of Vegreville are presently under review for closure within the next fiscal year?

Hon. Eric W. Kierans (Postmaster General and Minister of Communications): Flat Lake, Alberta; Hazeldine, Alberta.

BANK OF CANADA—SALE OF TREASURY BILLS

Question No. 893—**Mr. Rodrigue:**

1. How many offers did the Bank of Canada receive for the sale of $160,000,000 worth of Treasury bills on January 15, 1970?

2. What were the highest and lowest bids?

3. What offer was accepted?

4. At what interest rate were they sold?

Hon. E. J. Benson (Minister of Finance): 1. There were 89 bids totalling $352,085,000 for $160 million of treasury bills offered at tender January 15, 1970. Of this total amount, bids of $259,085,000 were in respect of $130 million of 91-day treasury bills and bids of $93 million were in respect of $30 million of 182-day treasury bills.

2. As stated in the regular weekly release published on January 15, the prices on the highest and lowest bids accepted were, for the 91-day bills $98.092 and $98.088, respectively, and for the 182-day bills $96.216 and $96.213, respectively.

3. Answered by 2.

4. As stated in the regular weekly release referred to in 2 above, the average interest rate on the accepted bids was 7.81 per cent for the 91-day bills and 7.89 per cent for the 182-day bills.

CBC—ESTABLISHMENT OF TV TRANSMITTER STATIONS IN NEWFOUNDLAND

Question No. 903—**Mr. Marshall:**

1. What progress is being made by CBC in establishing TV transmitter stations in the Great Northern Peninsula in Western Newfoundland, in St. Anthony, Englee, Forrester's Point and Bonne Bay?

2. Are transmitters being designed for installation at these points?

3. When is it expected that they will be completed?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): I am informed by the Canadian Broadcasting Corporation as follows: 1. The Corporation has had a television transmitter (Frontier Coverage Package) in operation at St. Anthony since October 1968. Plans for an installation at St. Anthony which would provide live network service have had to be delayed because of budget restrictions imposed on the Corporation and at the moment it does not appear that such an installation could be in operation until some time in 1972. The permanent plan for St. Anthony calls for a rebroadcasting transmitter at Englee, as an intermediate step to bring the network

service into St. Anthony. The schedule for Englee has also been delayed for the same reason and the target date is 1971. Investigation is presently underway to determine whether or not it will be possible to provide live network service to St. Anthony on a temporary basis directly off-air from the distant CBC transmitter at Baie Verte. The Corporation filed an application with the CRTC in July, 1969, for a rebroadcasting station at Bonne Bay and is awaiting a decision from the Commission. In general, a 12-month period is required for construction and equipping of a station after CRTC approval is received. An installation has been planned for Forrester's Point and an operational date has been tentatively set for late 1972 (subject to availability of funds).

2. No.

3. See 1 above.

[*English*]

JASPER NATIONAL PARK—COST OF GATEHOUSE

Question No. 924—**Mr. Sulatycky:**

What was the cost of building the structures used as the gate and gate-house at the west entrance to Jasper National Park?

Mr. Russell C. Honey (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): 1. Kiosk Cost, $2,500; Power plant and transmission lines, 9,000.

JASPER, ALTA.—COMMERCIAL AND RESIDENTIAL LEASES

Question No. 925—**Mr. Sulatycky:**

1. How many commercial leases actually used for commercial purposes are there in existence in the townsite of Jasper?

2. How many residential leases are there in existence in the townsite of Jasper?

Mr. Russell C. Honey (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): 1. There are 95 commercial leases in Jasper Townsite.

2. There are 510 residential leases in Jasper Townsite.

BANFF, ALTA.—COMMERCIAL AND RESIDENTIAL LEASES

Question No. 926—**Mr. Sulatycky:**

1. How many commercial leases actually used for commercial purposes are there in existence in the townsite of Banff?

2. How many residential leases are there in existence in the townsite of Banff?

[Mr. Pelletier.]

3. How many residential leases are there in existence in the townsite of Banff held by persons who do not reside permanently in Banff and what are the names of those persons?

Mr. Russell C. Honey (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): 1. There are 160 commercial leases in Banff Townsite.

2. There are 760 residential leases in Banff Townsite.

3. It is not possible to separate the non-resident lessees from the resident lessees without making a search of records dating back several years and inquiring from each leaseholder as to his actual residence at the present time. Disclosure of the names of lessees would be a breach of confidence.

FEDERAL GRANTS TO COOL-AID

Question No. 930—**Mr. Goode:**

Has the Government of Canada made any grants or grants available to a Vancouver-based organization known as Cool-Aid which provides assistance to alienated and transient youth and, if so, under what terms and conditions were such funds granted?

Hon. John C. Munro (Minister of National Health and Welfare): Yes. The Department of National Health and Welfare approved a grant to The Greater Vancouver Youth Communications Centre Society (known as Cool Aid) in Vancouver for the fiscal year 1969-70. The grant is for an experimental demonstration project and was awarded under the terms and conditions for such projects as specified in The Welfare Grants Rules 1969 P.C. 69-11/777.

BOEING OF CANADA LTD.

Question No. 945—**Mr. Burton:** (Supplementary)

1. Has the Department of Regional Economic Expansion, under the Regional Incentives Act, authorized or provided an incentive grant to "Boeing of Canada Ltd." and, if so, what is the amount of the grant?

2. What is the total estimated cost of the project for which the grant was provided and what is the nature of the project and its location?

3. Who are the directors and chief executive officers of "Boeing of Canada Ltd." and what is the address of each?

4. To what extent is this company non-resident or foreign-owned or controlled?

5. What is the name and country of the known non-resident ownership in this company?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): I am informed by the Department of Regional Economic Expansion and the Department of

Industry, Trade and Commerce as follows:

1 and 2. This information was contained in the monthly report, tabled in Parliament on the operation of the Regional Development Act.

3. As of December 31, 1968, the directors and executive officers of Boeing of Canada Ltd. are: H. P. Burress, Vice-President and General Manager and Director, Alicia Street, Arnprior, Ontario; W. M. Allen, Director, c/o The Boeing Co., Seattle, Washington, U.S.A., W. J. Kane, Director, c/o The Boeing Co., Seattle, Washington, U.S.A., R. W. Tharrington, Director, c/o The Boeing Co., Vertol Division, Morton, Pa., U.S.A.; K. R. Patrick, Director, Bedford, Quebec; R. G. Peers, Director, 630 Dirchester Blvd., Montreal 2, Quebec; J. K. Prince, Director, c/o The Boeing Co., Seattle, Washington, U.S.A.; J. S. Ciechan, Director, c/o The Boeing Co., Vertol Division, Morton, Pa., U.S.A.; H. S. Tremper, Director, c/o The Boeing Co., Vertol Division, Morton, Pa., U.S.A.

4. 97.0 per cent non-resident owned.

5. The Boeing Company, United States.

NOVA SCOTIA—ESTABLISHMENT OF SATELLITE PARK

Question No. 947—**Mr. Crouse:**

1. Is it the intention of the government to establish a satellite park along the coast of Nova Scotia as a supplement to the facilities provided by Kejimkujik National Park and, if so, what will be the location of the satellite park and what is its estimated area?

2. How much money has been set aside for the development of a satellite park?

3. On what date does the government estimate development work for a satellite park will be undertaken?

Mr. Russell C. Honey (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): 1. The National and Historic Parks Branch have conducted field studies in the Cape La Have area of Nova Scotia. The study results are not yet complete.

2. None.

3. Until an agreement with the Province of Nova Scotia has been negotiated, no development can be undertaken.

CAPE BRETON-THE SYDNEYS—PUBLIC WORKS PROJECTS

Question No. 949—**Mr. Muir (Cape Breton-The Sydneys):**

What projects are planned by the Department of Public Works for the coming year in the constituency of Cape Breton-The Sydneys?

Hon. Arthur Laing (Minister of Public Works):

Location	Project
Sydney	Marginal Wharf—Paving
	Marginal Wharf—Warehouse floor repairs
	Old Naval Building—Alterations
North Sydney	Public Wharf—Fender repairs
	Indian Beach—Dredging
Alder Point	Public Wharf—Approach improvements

In addition minor maintenance will be carried out at various locations as required. All are subject to the availability of funds.

RCMP VESSEL "WOOD"

Question No. 958—**Mr. McCleave:**

1. Is it the intention of the government to decommission the RCMP patrol vessel *Wood* and, if so, at what date?

2. At what yard was *Wood* built, when and at what cost?

3. Where is she stationed and what area does she patrol?

4. How many miles has she logged, per year, on patrol duty?

5. What repairs or refits has she undergone, in what yard or yards, and at what costs?

6. What is her complement of officers and crew?

7. As a result of her patrol work, how many charges have been laid, what was the general nature of such charges and how many convictions resulted?

8. What is the approximate cost of operating her for a year?

9. If the answer to Part 1 is in the affirmative, for what reason or reasons?

10. If the answer to Part 1 is in the affirmative, what disposition will be made of the vessel and will there be any restrictions on the type of would-be purchasers?

Hon. G. J. McIlraith (Solicitor General): 1. Yes, by April 1, 1970.

2. (i) George T. Davie & Sons Limited, Lauzon, P.Q.; (ii) Commissioned June 28, 1958; (iii) $1,513,833.

3. Stationed at Halifax, Nova Scotia. Patrols Canadian Atlantic Coast from Canada—U.S. Border to Northern Labrador, Gulf of St. Lawrence and St. Lawrence River.

4. Average 15,145 miles per annum since commissioning.

5. Refit April, 1961, D.N.D. Halifax, N.S., $7,912.; refit Jan., 1962, Halifax Shipyards,

N.S., $14,781.; refit Feb., 1963, Purdy Bros., Halifax, N.S., $11,892.; refit Feb., 1966, Steel & Engine Products, Liverpool, N.S., $8,000; refit Feb., 1967, Purdy Bros, Halifax, N.S., $6,500.

6. Officers, 1; Crew, 35.

7. No statistics available as this vessel carried out a support service for land-based personnel enforcing Customs Act, Canada Shipping Act and Migratory Birds Convention Act for five separate R.C.M. Police divisions.

8. $355,097.

9. Operation of this vessel by the R.C.M. Police can no longer be justified due to changing operational and enforcement requirements which can now be effectively met by smaller vessels, and thus a ship of the Wood's size is no longer necessary.

10. The Wood will be disposed of through Crown Assets Disposal Corporation, who will be able to advise of any restrictions on the type of would be purchasers.

REMOVAL OF PLATES OVER SERIAL NUMBERS ON TRACTORS IMPORTED FROM ENGLAND

Question No. 959—**Mr. Skoberg:**

1. Has the RCMP been advised of the removal of plates over the serial numbers on tractors imported from England as reported at page 2531 of *Hansard* and, if so, what were the results of the investigation?

2. If the person or the persons involved have been identified, have there been any charges laid?

3. If the person or persons have been identified, and there have been no charges laid, for what reason?

4. Is the investigation proceeding and, if not, for what reason?

Hon. G. J. McIlraith (Solicitor General): 1. No.

2, 3 and 4. Not known.

CAMPER TRUCKS AND TRAILERS AND PRIVATE BOATS ENTERING CANADA

Question No. 961—**Mr. Reid:**

1. How many camper trucks and camper trailers entered Canada during 1969, 1968 and 1967?

2. How many private boats entered Canada, either by being pulled on a trailer or on top of cars, during 1969, 1968 and 1967?

3. How is this information obtained?

Hon. Jean-Pierre Côté (Minister of National Revenue): 1. Statistical records not maintained. Camper trucks and camper trailers when temporarily imported by non-residents for health or pleasure purposes are documented on temporary entry permits at highway ports of entry for control purposes only and not for statistical reasons. Since the control is exercised by the issuing ports, a central record is not maintained of articles so imported.

2. Statistical records not maintained. Private boats entering Canada temporarily, either by being pulled on a trailer or on top of cars, are documented on temporary entry permits at highway ports of entry for control purposes only and not for statistical reasons. Since the control is exercised by the issuing ports, a central record is not maintained of articles so imported.

3. Not applicable.

RETIRED ARMY CIVILIAN EMPLOYEES—APPLICATION OF PENSION INCREASE

Question No. 964—**Mr. Lambert (Bellechasse):**

Will civilian employees who retired from employment with the Army since 1952 get the 2 per cent increase which was announced in December and, if so, what will be the annual increase for civilian employees who retired from the Army during 1952-53-54-55-56 for those who earned six thousand dollars per year?

Hon. C. M. Drury (President of Treasury Board): It is the Government's intention to present to Parliament legislation that would provide increases to pensions paid under the Civil Service Superannuation Act or Public Service Superannuation Act, effective April 1, 1970, to former civilian employees including those having retired from work with the Army.

Employees in the above category who retired on full pension in the years shown below after having 35 years of contributory service, for example, with an average salary of $6,000 over their last ten consecutive years of employment would receive the following amounts as an addition to their monthly pensions if this legislation is approved by Parliament.

Year of Retirement	Monthly $
1952	149.80
1953	139.09
1954	131.95
1955	121.24
1956	110.53

POLLUTION CHARGES LAID UNDER DEPARTMENT OF MINES AND TECHNICAL SURVEYS ACT

Question No. 967—**Mr. Harding:**

1. For the years 1963, 1964, 1965, 1966, 1967, 1968 and 1969, how many charges were laid against individuals or companies by persons in the department

responsible for the enforcement of the Department of Mines and Technical Surveys Act and Regulations regarding violations of the Act and Regulations dealing with pollution of waters?

2. How many of the above charges resulted in (a) convictions (b) dismissal of the charges (c) withdrawal of the charges?

Mr. R. J. Orange (Parliamentary Secretary to Minister of Energy, Mines and Resources): 1. None.

2. Not applicable.

POLLUTION CHARGES LAID UNDER INTERNATIONAL RIVER IMPROVEMENTS ACT

Question No. 968—**Mr. Harding:**

1. For the years 1963, 1964, 1965, 1966, 1967, 1968 and 1969, how many charges were laid against individuals or companies by persons in the department responsible for the enforcement of the International River Improvements Act and Regulations regarding violations of the Act and Regulations dealing with pollution of waters?

2. How many of the above charges resulted in (a) convictions (b) dismissal of the charges (c) withdrawal of the charges?

Mr. R. J. Orange (Parliamentary Secretary to Minister of Energy, Mines and Resources): 1. None.

2. Not applicable.

CHARGES LAID UNDER NATIONAL PARKS ACT

Question No. 971—**Mr. Harding:**

1. For the years 1963, 1964, 1965, 1966, 1967, 1968 and 1969, how many charges were laid against individuals or companies by persons in the department responsible for the enforcement of the National Parks Act and Regulations regarding violations of the Act and Regulations dealing with pollution of waters?

2. How many of the above charges resulted in (a) convictions (b) dismissal of the charges (c) withdrawal of the charges?

Mr. Russell C. Honey (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): 1. One charge was laid against an individual in Jasper National Park.

2. The charge resulted in a conviction and a fine of $5.00.

*RESPONSIBILITIES OF MINISTER WITHOUT PORTFOLIO FROM YORK-SCARBOROUGH

Question No. 1,009—**Mr. Orlikow:**

1. What are the responsibilities of the Minister without Portfolio from York-Scarborough?

2. Does he have any responsibilities related to the Privy Council Office?

Mr. J. E. Walker (Parliamentary Secretary to Prime Minister): Mr. Speaker, the answer is as follows: 1. As announced by the Prime Minister on October 15, 1969, the Minister without Portfolio, the member for York-Scarborough, assumed "particular responsibility for the work of the Secretary of State Department in the field of citizenship. This involves questions of naturalization and the citizenship courts, and also the department's developing program to encourage and assist various groups of residents, including ethnic groups, to play a more active part in the life of Canada."

On February 10, 1970, the Prime Minister announced in the House that the minister would also, in respect to Information Canada under the Supply and Services Department, "take responsibility for its planning and development to be as ready as possible for operational status at the beginning of the new fiscal year."

2. No.

ESCAPES FROM SPRINGHILL MEDIUM SECURITY INSTITUTION

Question No. 1,010—**Mr. Coates:**

1. How many escapes have taken place at the Young Offenders Medium Security Institution at Springhill, N.S., and in each instance (a) what was the date of the escape (b) how many inmates were involved (c) what was the length of time the inmates in question were at large?

2. Was the general public informed of the escape of an inmate or inmates from the institution in each instance and, if not (a) in which instances was the public informed (b) what reasons were there for not informing the general public?

Hon. G. J. McIlraith (Solicitor General): 1. Eight, as follows: Escape No. 1: (a) 8 May 1969; (b) One; (c) 6 hrs. 30 min. Escape No. 2: (a) 8 June 1969; (b) One; (c) 2 hrs. Escape No. 3: (a) 17 Sept. 1969; (b) One; (c) 14 hrs. Escape No. 4: (a) 23 Sept. 1969; (b) Two; (c) 6 days. Escape No. 5: (a) 17 Oct. 1969; (b) One; (c) 14 hrs. Escape No. 6: (a) 6 Nov. 1969; (b) Two; (c) 5 days. Escape No. 7: (a) 12 Nov. 1969; (b) Three; (c) 1 hr. 30 min. Escape No. 8: (a) 18 Jan. 1970; (b) One; (c) 30 min.

2. See sub-paragraph (a) below. (a) In all cases except Escape No. 2 and No. 8: (b) In both escape No. 2 and No. 8, the escapee was seen to run into small woods near the institution, all sides of which were easily kept under surveillance, thus permitting the early apprehension of the prisoners without the public being exposed to danger because of lack of knowledge of the escape.

Questions

CONSTRUCTION OF POST OFFICE, WENTWORTH, N.S.

Question No. 1,011—**Mr. Coates:**

Is it the intention of the government to construct a post office at Wentworth, Nova Scotia and, if so, when does the government intend to call tenders for the construction of this post office?

Hon. Arthur Laing (Minister of Public Works): No.

ST. LAWRENCE CENTRE FOR THE ARTS

Question No. 1,012—**Mr. Gleave:**

Did the Canada Council contribute funds to the St. Lawrence Centre for the Arts in Toronto and, if so, in what amount?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): I am informed by the Canada Council as follows: The Canada Council has awarded the Toronto Arts Foundation, on behalf of the St. Lawrence Centre for the Arts, the following grants: in 1968, $15,000 for the development of the theatrical program of the Centre; in 1969, $140,000 for the first theatrical season of the Centre which should begin on February 26, 1970.

[*English*]

SALES TAX ON STAPLE FOODS

Question No. 1,026—**Mr. Dinsdale:**

1. Is margarine subject to the 12 per cent tax?

2. What other staple foods are subject to sales tax?

3. Is it the government's intention to remove sales taxes on staple foods as a part of the campaign to fight inflation and reduce the high cost of living?

Hon. E. J. Benson (Minister of Finance): 1. Yes, except for consumption in the Province of Newfoundland.

2. None.

3. This is a matter of Government policy. If the Government should decide to propose an amendment to exempt margarine from sales tax it will be announced at the appropriate time.

EXPENDITURES UNDER REGIONAL DEVELOPMENT INCENTIVES ACT

Question No. 1,033—**Mr. Diefenbaker:**

1. Under the Regional Development Incentives Act, in what places or areas in (a) Manitoba (b) Quebec (c) New Brunswick (d) Newfoundland (e) Ontario, were expenditures of moneys approved up to the end of December 31, 1969?

2. What was the amount of such expenditures for each of said projects?

[Mr. McIlraith.]

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): This information was contained in the reports respecting the Administration of the Regional Development Incentives Act tabled on October 27, 1969, December 4, 1969, and January 12, 1970.

REMOVAL OF SALES TAX ON POLLUTION CONTROL EQUIPMENT

Question No. 1,039—**Mr. Robinson:**

Will the federal government consider the feasibility of removing the sales tax on pollution control equipment in order to create an incentive to control pollution?

Hon. E. J. Benson (Minister of Finance): Equipment described in part XIII of Schedule III of the Excise Tax Act is exempt from sales tax. If the Government should decide to propose additional exemptions from sales tax it will be announced at the appropriate time.

UNEMPLOYMENT INSURANCE FUND—ADVERTISEMENTS WARNING AGAINST FRAUDULENT CLAIMS

Question No. 1,058—**Mr. Paproski:**

What was the name of the advertising agency employed to prepare advertisements, which were published recently in national newspapers, warning against fraudulent claims against the Unemployment Insurance Fund?

[*Translation*]

Hon. Bryce Mackasey (Minister of Labour): Goodis, Goldberg, Soren Ltd., Toronto.

[*English*]

SUBSIDY PAID TO TURKEY PRODUCERS 1960 TO 1969

Question No. 1,125—**Mr. Robinson:**

What was the total subsidy paid to turkey producers during each of the years 1960 to 1969 inclusive?

Hon. H. A. Olson (Minister of Agriculture): Nil.

SASKATCHEWAN—REGIONAL DEVELOPMENT INCENTIVE GRANTS

Question No. 1,142—**Mr. Southam:**

1. How many Regional Development Incentive Grants were awarded in Saskatchewan in 1969?

2. Where were the locations and what was the amount of grant in each case?

3. How many Regional Development Incentive Grants will be awarded to Saskatchewan in 1970?

4. Where will they be located and what will be the amounts?

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): 1 and 2. This information was contained in the reports respecting the Administration of the Regional Development Incentives Act tabled on October 27, 1969, December 4, 1969, and January 12, 1970.

3 and 4. This information will be contained in subsequent monthly reports, as offers are accepted.

ORAL QUESTION PERIOD

THE CANADIAN ECONOMY

INFLATION—POSITIVE PROPOSALS BY GOVERNMENT TO FEDERAL-PROVINCIAL CONFERENCE

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I should like to direct a question to the Acting Prime Minister. In view of the fact that the Prime Minister's remarks to the federal-provincial conference this morning contained no positive proposals for controlling inflation but only general expressions of intent, does the government intend to make such positive proposals to the conference before it terminates?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, one of the main items on the agenda, from the remarks made by the Prime Minister, is measures to contain inflation. This is the purpose of the federal government and we hope also of the provincial governments. This is a time when I think there should be co-operation and that the federal government should seek co-operation and not, of course, order them about which would be impossible in any event.

Mr. Hees: A supplementary question, Mr. Speaker. No one, of course, is suggesting that the federal government order anybody about. They cannot do it.

Mr. Baldwin: Except their own backbenchers.

Mr. Hees: I would ask this supplementary question, Mr. Speaker. Is the government suggesting positive measures to the provinces involving ways by which the federal and provincial governments can control rising unemployment, both regional and national?

Mr. Sharp: Mr. Speaker, I think the hon. gentleman knows very well that the Prices and Incomes Commission has proposed a series of steps affecting business and government, and these are under discussion at the conference.

Mr. Hees: Mr. Speaker, a further supplementary question. I asked the Acting Prime Minister if the federal government was going to propose measures for controlling unemployment?

Mr. Sharp: I am sorry, Mr. Speaker. I thought the hon. gentleman was referring to inflation. So far as unemployment is concerned, of course it is the desire of the government to minimize unemployment and that, of course, is one of the reasons we are working so hard to control inflation, because the outcome of inflation is unemployment.

Mr. Hees: A supplementary question, Mr. Speaker. Is the government asking the provincial governments to limit their increases in expenditures this year to the 9 per cent by which the federal government is increasing its expenditures this year?

Mr. Sharp: Mr. Speaker, we hope we shall have the co-operation of all governments in measures to contain inflation. Certainly, one of the most important measures is that expenditures under the control of each government should be limited as far as possible.

CANADIAN SOVEREIGNTY

PROJECTED SECOND VOYAGE BY "MANHATTAN" THROUGH NORTHWEST PASSAGE

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Secretary of State for External Affairs. In view of a report from Houston, Texas, that there is now a 50 per cent chance that the *Manhattan* will make another voyage through the northern waters of Canada in April, can the minister say whether the government has now received any requests, communications or intimations in connection with this proposed trip?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, the information we have is rather the same as the report that has been referred to by the hon. member. We have heard that there may be a chance that the *Manhattan* will travel through our northern waters again but we have not yet had a definite request; we understand that Humble Oil Company has not yet made up its mind whether the ship will make the voyage.

Inquiries of the Ministry

Mr. Knowles (Winnipeg North Centre): A supplementary question, Mr. Speaker. Is the government taking any action in the meantime by way of strengthening the regulations to make sure that if there is such a voyage there will not be a tragedy involving the pollution of our northern waters?

Mr. Sharp: Mr. Speaker, I believe that experimental voyages of the kind undertaken by the *Manhattan* are very much in Canada's interest. The ship will carry no oil cargo but only that oil it will need for itself. It is very important for us to find out the conditions under which these waters can be used safely. That is why the government welcomed the first voyage of the *Manhattan*. If the company wishes to undertake a second voyage, we would co-operate and welcome the effort because we believe that as the result of such voyages we will find out the conditions under which it will be safe to traverse these waters.

Mr. Diefenbaker: What price Canadian sovereignty! Heaven help us!

Mr. G. W. Baldwin (Peace River): A supplementary question, Mr. Speaker. Since the minister used the words, "our northern waters", is it the position of the government that the *Manhattan* or any other oil tanker must seek permission from the Canadian government in order to make a voyage through the Northwest Passage?

Mr. Sharp: Mr. Speaker, in the past they have sought our co-operation, which I am sure is the best evidence that they understand our position in the north.

Some hon. Members: Oh, oh!

Mr. Baldwin: A further supplementary question, Mr. Speaker. Is it the position of the government that the *Manhattan* or other similar vessels must seek the permission of the Canadian government before going through what the minister described as "our northern waters"?

Mr. Sharp: There seems to be some misunderstanding about this.

Mr. Baldwin: Not at all.

Mr. Sharp: When ships pass through our waters, wherever those are, they do not seek the specific approval of the Canadian government. They are assumed to be on innocent passage and we do not question them. We assume that the *Manhattan,* if it is to go again, will undertake an innocent passage. Indeed, the purpose of the voyage would be to find out, by way of this experiment, what conditions are like in the north. That is why we welcome it and have co-operated and given our permission in the past.

[Mr. Sharp.]

Some hon. Members: Hear, hear.

Mr. Diefenbaker: What price Canadian sovereignty!

Mr. W. B. Nesbitt (Oxford): A supplementary question, Mr. Speaker. Will the Secretary of State communicate with his colleague, the Minister of Transport, to make sure that if the *Manhattan* does make the voyage she will fly the Canadian flag when in our waters, something that did not happen on the last trip?

Mr. Speaker: Order, please. I suggest that the hon. member is making a representation rather than asking a question.

Hon. Marcel Lambert (Edmonton West): A supplementary question, Mr. Speaker. Will the minister ascertain whether the Department of Transport or the government has received a direct request for the use of Canadian icebreakers in the event this voyage takes place?

Mr. Sharp: Mr. Speaker, as I explained in answer to the initial question, we have not yet been told whether the *Manhattan* will undertake a second voyage. There is uncertainty about it because I do not think Humble Oil Company has yet made up its mind. It is clear that if the ship were to undertake the voyage it would have to have the co-operation of Canadian icebreakers. These, of course, would be available.

[*Later:*]

Mr. Erik Nielsen (Yukon): Mr. Speaker, I have a supplementary question concerning sovereignty over our Arctic waters. Is the government considering the reinstitution of the policy of the Mackenzie King government of issuing licences to ships and aircraft going through or traversing the Canadian Arctic sector? I refer to licences such as those issued by the Canadian government under Mackenzie King to the MacMillan-Byrd expedition?

Mr. Sharp: I shall take the question as notice, Mr. Speaker.

Mr. S. Perry Ryan (Spadina): A supplementary question to the Acting Prime Minister. Has the government prepared base lines for the Arctic islands area? If so, when will the government be proclaiming them?

Mr. Sharp: No, Mr. Speaker. There are a number of areas where the government has not drawn base lines. It is not the intention to complete the map at the present time.

An hon. Member: Why not?

Mr. Sharp: To do so in some areas would be to take an action that might compromise the position of the Canadian government in future declarations.

NATURAL RESOURCES

REQUEST FOR MORATORIUM ON OIL AND GAS EXPLORATION PENDING STEPS TO PROTECT ARCTIC ECOLOGY

Mr. Randolph Harding (Kootenay West): Mr. Speaker, I have a question for the Acting Prime Minister. Will the department responsible review its position in relation to the call by the Canadian Wildlife Federation for a partial moratorium on oil and gas exploration in the Arctic region until it has acquired the information, technology and trained personnel as well as adequate safeguards to ensure the fullest protection of our Arctic ecology?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, the government will give consideration to this suggestion. Of course I cannot say that we will follow it, but we will certainly look at it.

VETERANS AFFAIRS

REQUEST FOR INTERIM INCREASE IN PENSIONS AND ALLOWANCES

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, my question is directed to the Minister of Veterans Affairs. I ask him whether his department and the government have received a request from the Royal Canadian Legion, that because of the desperate circumstances of many veterans across Canada receiving war pensions and war veterans allowances, for an interim increase of 10 per cent in the basic rate of war disability pensions and a 15 per cent interim increase in war veterans allowances? If it has been received, will he give sympathetic consideration to the plight of these veterans across the country who find themselves receiving little or no consideration, especially having regard to the increases that have been provided for retired civil servants and the like?

Hon. Jean-Eudes Dubé (Minister of Veterans Affairs): Yes, Mr. Speaker, we have received these representations. We have also read the editorial in *The Legionary*. I repeat what has already been said in the House, that the whole structure of social legislation is at present under review by the government of Canada. The same attention and sympathy which have been shown by this government to veterans will continue in the future.

Mr. Diefenbaker: Mr. Speaker, surely the minister does not suggest that war veterans allowances and war pensions for disabilities are in the same category as social legislation? These are matters that deserve consideration and should not be postponed by a procrastinating government.

Mr. Les Benjamin (Regina-Lake Centre): In view of the requests that I am sure all hon. members have been receiving from veterans receiving war veterans allowances and other pensions, is the government considering some form of increase, albeit temporary or interim, until such time as its review is complete in order that the present pensions will at least keep up with the increased cost of living?

Mr. Speaker: The hon. member is repeating in substance what has already been asked by the right hon. member for Prince Albert.

Mr. Benjamin: On a point of order, Mr. Speaker, I was trying to ascertain whether, until such time as the government has completed its review, it is considering granting a temporary or interim increase?

Mr. Dubé: The government is considering all possibilities, Mr. Speaker.

Mr. Diefenbaker: In the meantime the veterans starve.

LABOUR CONDITIONS

ARGENTIA, NFLD.—CLOSING OF U.S. NAVAL BASE—PLANS TO COPE WITH UNEMPLOYMENT

Mr. Lloyd R. Crouse (South Shore): I wish to direct my question to the Acting Prime Minister. In view of the imminent closing of the naval base at Argentia, Newfoundland, what special plans does the government have to cope with the additional unemployment which will be created by the closing of this base?

Hon. Mitchell Sharp (Acting Prime Minister): All the departments concerned are on the job—the Department of Regional Economic Expansion, the Department of Manpower and Immigration and all the others. They have been given special instructions to

do everything possible to see that Canadians who are released find alternative employment or are offered retraining facilities and whatever additional help can be provided.

THE CANADIAN ECONOMY

INFLATION—EFFECT OF AUSTERITY MEASURES —ADVICE FROM BANK OF CANADA GOVERNOR

Mr. Eldon M. Woolliams (Calgary North): I should like to ask the Acting Prime Minister a question. In view of the fact that Mr. Roberts of the United States Federal Reserve has warned that the kind of austerity measures being implemented by the United States and Canada could trigger a serious recession and further unemployment, has the federal government received similar advice from the governor of the Bank of Canada, Mr. Rasminsky?

Hon. Mitchell Sharp (Acting Prime Minister): The advice received from the governor of the Bank of Canada is, of course, confidential unless it is published by him.

Mr. Woolliams: Is there an agreement between the Canadian and United States governments with regard to these austerity measures which are now bringing about regional and national unemployment in Canada?

Mr. Sharp: Obviously there can be no agreement that our fiscal, monetary or other policies should be the same.

EXTERNAL AFFAIRS

INVITATION TO HOLD COMMONWEALTH PRIME MINISTERS' CONFERENCE IN OTTAWA

Mr. Rod Thomson (Battleford-Kindersley): My question is directed to the Acting Prime Minister. Is the Canadian government extending an invitation to members of the Commonwealth to hold the forthcoming Prime Ministers' Conference in Ottawa?

Hon. Mitchell Sharp (Acting Prime Minister): I am happy this question has been asked, because there have been some misleading reports in the papers that Canada is reluctant to have the meeting in Ottawa. This is not so. We would be prepared to fall in with the consensus among the heads of government as to the location of the meeting. If it is to be in Ottawa, we would welcome it. We have taken part in some discussions, of course, about the timing; we would prefer that it be at a time when the weather is agreeable, and we would prefer 1971.

[Mr. Sharp.]

Mr. Andrew Brewin (Greenwood): Having regard to the accusation, perhaps false, that Canada's foreign policy is orientated toward a continental approach, would the Acting Prime Minister tell us whether Canada intends to actually invite the Prime Ministers of this multinational commonwealth to meet in Canada?

Mr. Sharp: There seems to be a fair interest in coming to Ottawa; I think it is sufficient for us to say they would be welcome here. We would welcome the Commonwealth Prime Ministers, as I am sure we should all do, if they care to come here. They know they are welcome. A special invitation is not necessary.

Right Hon. J. G. Diefenbaker (Prince Albert): The minister speaks in fulsome terms about welcoming the Prime Ministers Conference. Did not the government of Canada in 1969 refuse the opportunity to have the Prime Ministers Conference here?

Mr. Speaker: Order, please.

INVITATION TO PRESIDENT OF FRANCE TO VISIT OTTAWA

Mr. R. Gordon L. Fairweather (Fundy-Royal): I have a supplementary question for the Secretary of State for External Affairs; it is related to the same theme of reconciliation. In view of the fact that the President of France is visiting the President of the United States next week, has Canada extended an invitation to President Pompidou to come to Ottawa either before or after his visit to Washington?

Mr. Speaker: I have the impression that this question has been asked before. However, the Acting Prime Minister might wish to reply.

Hon. Mitchell Sharp (Acting Prime Minister): I recognize, Mr. Speaker, that the question put by the right hon. member for Prince Albert was out of order but I just want to deny the validity of the statement he made.

Mr. Diefenbaker: The denial is not in accordance with the truth.

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please. Perhaps that is a matter for debate. The hon. member for Vancouver-Kingsway.

Mr. Fairweather: What about the President of France?

Mr. Sharp: I answered a similar question some time ago. The President of France visited Canada and the head of our government has not since visited France. I think the invitation ought to be the other way.

LABOUR RELATIONS

PACIFIC PRESS, VANCOUVER—ENTRY INTO CANADA OF U.S. PROFESSIONAL STRIKEBREAKER

Mrs. Grace MacInnis (Vancouver-Kingsway): In the absence of the Minister of Manpower and Immigration I should like to direct a question to the Acting Prime Minister arising out of the strike at Pacific Press in Vancouver. Is the government aware that Leroy Norton, a professional strikebreaker from the United States, has arrived in Vancouver to help break the strike at Pacific Press?

Mr. Speaker: I wonder whether the question as asked is in order. The hon. member is asking whether the government is aware that a certain individual has arrived in Canada. I doubt whether the question, simply stated in those terms, is in order.

Mrs. MacInnis: Would the government look into these circumstances having regard to the fact that this individual came to Canada for a similar purpose on another occasion?

Hon. Mitchell Sharp (Acting Prime Minister): It is my understanding that this strike falls within provincial jurisdiction. My attention has not so far been drawn to the report.

Mrs. MacInnis: On a point of order, Mr. Speaker, this question directly involves the entry of an individual into this country from the United States.

NATIONAL FILM BOARD

RECONSIDERATION OF ORDER LEVYING CHARGES FOR USE OF FILMS

Mr. Jack Marshall (Humber-St. George's-St. Barbe): My question is directed to the Secretary of State. In light of representations made to the minister by the Newfoundland Teachers' Association, will the hon. gentleman indicate whether he intends to take action to relieve the financial burden which will fall upon Newfoundland schools by deferring or removing rental fees charged by the National Film Board for films needed by these schools which will otherwise be denied the use of this educational service?

Mr. Speaker: Here again, I have the impression that the question has been asked before. Nevertheless, the minister might be allowed to answer.

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, I can but repeat the reply which I gave the last time—it was on Thursday last, I believe—namely that this policy had been studied. Unless new factors intervene, no change is foreseen.

[*English*]

Mr. Marshall: Does the minister not feel that something should be done to help schools which will not be able to afford to rent these films in future? Is this not a factor which ought to be taken into consideration?

Mr. Speaker: Order. The hon. member's supplementary is in the form of a representation or submission and he has to assume it will be taken into account.

Hon. Marcel Lambert (Edmonton West): If the Secretary of State is saying there is to be no change in the policy, will he kindly advise me why, in a letter he wrote to me, he tells me the matter is subject to review and that there may be a change in the decision?

Mr. Speaker: Order. It seems to me the question is argumentative.

Mr. R. Gordon L. Fairweather (Fundy-Royal): I have a supplementary on this subject which I should like Your Honour to rule out of order so that it can be debated at ten o'clock.

Mr. Speaker: The hon. member will realize that he has not yet asked his question, so there is no assurance it will be debated at the time of the adjournment.

[*Translation*]

INQUIRY OF THE MINISTRY

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, I have a question for the Acting Prime Minister.

Would he have some statement to make concerning charges made last Saturday against the Prime Minister of Canada by the Premier of Quebec who said that the federal government was interfering in provincial affairs, especially as regards relations between Ottawa and the municipalities, which fall under provincial jurisdiction?

Inquiries of the Ministry

Mr. Speaker: It seems to me that the hon. member is merely inviting a minister to comment on a statement made outside the House, and such a question is normally not allowed.

[*English*]

DRUGS

MARIJUANA—REFERENCE OF NON-MEDICAL USE TO STANDING COMMITTEE

Mr. Barry Mather (Surrey): I have a question I wanted to address to the Minister of National Health and Welfare. In his absence, perhaps the hon. gentleman's Parliamentary Secretary could take it as notice. Is consideration being given to referring the issue of the non-medical use of marijuana to the Standing Committee on Health, Welfare and Social Affairs?

Mr. Stanley Haidasz (Parliamentary Secretary to Minister of National Health and Welfare): I assure the hon. member I shall bring his representation to the attention of the minister.

FISHERIES

HADDOCK—ICNAF QUOTA PROGRAM—PROCEDURE FOR RECORD-KEEPING AND ENFORCEMENT

Mr. Lloyd R. Crouse (South Shore): My question is intended for the Minister of Fisheries; in his absence I will direct it to his parliamentary secretary. It relates to the minister's press release of February 9 in which he stated that all ICNAF member nations will be limited to a quota of 12,000 and 18,000 metric tons of haddock in two areas. Could the Parliamentary Secretary inform us whether a procedure to cover record-keeping and enforcement of this quota program, including the type of fishing gear used, has been worked out and agreed upon by all ICNAF countries?

Mr. E. F. Whelan (Parliamentary Secretary to Minister of Fisheries): I shall have to take that question as notice. I have listened to some of the discussions; I do not think they have yet been completed.

INFORMATION CANADA

ISSUING OF NEWS RELEASE FOLLOWING FEDERAL-PROVINCIAL CONFERENCE

Mr. A. D. Hales (Wellington): I wish to ask the Minister without Portfolio in charge of Information Canada whether Information Canada will be issuing a news release at the close of the dominion-provincial conference tomorrow?

[Mr. Lambert (Bellechasse).]

Hon. Robert Stanbury (Minister without Portfolio): No, Mr. Speaker.

Mr. Robert Simpson (Churchill): Mr. Speaker, I have a supplementary question for the Minister without Portfolio. In view of the minister's statement on television on Saturday evening assuring the people that Information Canada would not promote anything that had not been passed by Parliament, I should like the minister to say how he can justify taking over the administration of a new body which itself has not been established by Parliament?

Mr. Speaker: Order. The question is argumentative.

NATIONAL DEFENCE

REQUEST FOR STATEMENT ON CHEMICAL AND BIOLOGICAL WEAPONS

Mr. Andrew Brewin (Greenwood): Mr. Speaker, my question is directed to the Acting Prime Minister. In light of the decision announced by President Nixon in respect of extending the ban on germ or chemical warfare weapons to include chemical toxins, will the Acting Prime Minister consider making a statement to the House concerning the position of the Canadian government in respect of the production, development and storage in Canada of such chemical and biological weapons.

Hon. Mitchell Sharp (Acting Prime Minister): Yes, Mr. Speaker. The government has under consideration a statement on its whole position in this field which includes the problem involved in the question asked by the hon. member. I should think it would be included in the statement Canada would be making at the opening of the resumed disarmament discussions in Geneva.

POST OFFICE

MONTREAL STRIKE—ACTION BY GOVERNMENT

Mr. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, I have a question for the Minister of Communications. Could he tell us if the mail is now moving in Montreal or whether he has any report on the present situation there?

Hon. Eric W. Kierans (Postmaster General and Minister of Communications): Mr. Speaker, I regret to say that the situation has deteriorated in Montreal this morning. As a result officials of the department have been in touch with the CSN. I have asked them to come up here tomorrow morning at which time I intend to make clear to them that if the illegal, irresponsible and violent strike of recent weeks does not terminate the government will have no choice but to take extraordinary measures.

INDIAN AFFAIRS

ALLEGED MISUSE OF BAND FUNDS BY GOVERNMENT OFFICIALS

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I have a question for the Acting Minister of Indian Affairs and Northern Development or his Parliamentary Secretary with regard to the question I asked last Friday. Has the minister yet completed his inquiry into the allegations of irregularities on the part of departmental officials made by Indians of the Assumption Band Reserve, allegations which were made some time ago? Is he able now to report on this matter?

Mr. Russell C. Honey (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, the inquiries are still continuing. The minister hopes he may be in a position to report tomorrow.

Mr. Baldwin: In view of the fact that the telegram from the Indian Band Council contains a request for a parliamentary inquiry, would the parliamentary secretary bring to the attention of the minister and the chairman of the appropriate committee the desirability of having a very careful and detailed parliamentary inquiry in respect of these allegations?

Mr. Honey: This will be given consideration, Mr. Speaker.

PRIVILEGE

MR. DIEFENBAKER—ADEQUACY OF ANSWER TO ORDER PAPER QUESTION

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, I have a question of privilege arising out of the answer given today to question No. 1,033 which was placed on the Order Paper on February 2. The question was:

1. Under the Regional Development Incentives Act, in what places or areas in (a) Manitoba, (b) Quebec, (c) New Brunswick, (d) Newfoundland, (e) Ontario, were expenditures of moneys approved up to the end of December 31, 1969?

2. What was the amount of such expenditures for each of said projects?

The answer is not in keeping with the rules and indeed is a facetious brush-off. It is as follows:

This information was contained in the reports respecting the administration of the Regional Development Incentives Act tabled on October 27, 1969, December 4, 1969, and January 12, 1970.

Sir, I submit that the fact the government will have egg on its face if it answers properly is no justification for such an answer.

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, I shall be glad to inquire into the matter and report on Wednesday.

HEALTH AND WELFARE

NATIONAL HEALTH PLAN PAYMENTS FOR OPTOMETRIC SERVICES

Mr. Robert Muir (Cape Breton-The Sydneys): Mr. Speaker, my question is for the Minister of National Health and Welfare. In his absence may I direct it to his Parliamentary Secretary who may wish to take it as notice and reply tomorrow. Now that a consensus has been reached among the provinces regarding optometric services, can the minister advise when these services will be acceptable for cost-sharing payments under the national health plan?

Mr. Stanley Haidasz (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, I will take the question as notice.

NATIONAL ARTS CENTRE

USE BY THOSE WITH LOW INCOMES

Mr. David Orlikow (Winnipeg North): Mr. Speaker, in view of the observations made by the chairman of the board of trustees of the National Arts Centre regarding use of the centre by unemployed persons, I should like to ask the Secretary of State whether he would urge the board to give favourable consideration to use of the centre by people in the low income brackets such as old age pensioners and others?

Mr. Speaker: The hon. member is making a representation which he must assume will be noted by the minister.

Inquiries of the Ministry

REGIONAL ECONOMIC EXPANSION

SASKATCHEWAN—DECISION ON EXTENSION OF DESIGNATED AREAS

Mr. John Burton (Regina East): Mr. Speaker, in the absence of the Minister of Regional Economic Expansion I should like to direct my question to his Parliamentary Secretary. Could the Parliamentary Secretary inform the House whether a decision has been taken on proposals made recently to extend designated areas in Saskatchewan under the Regional Development Incentives Act? If so, could he inform the House of the decision?

Mr. Speaker: I would point out that it has been suggested on previous occasions that this kind of information should be given by way of a statement on motions or the question might be placed on the Order Paper. If there is particular urgency in respect of the specific question, the minister might be allowed to reply.

Mr. Burton: On a point of order, Mr. Speaker, I would point out that there have been developments since this subject was last referred to in the House. It is a matter requiring urgent consideration and I would hope the Parliamentary Secretary might be able to respond.

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): I will bring the question to the minister's attention.

INQUIRY OF THE MINISTRY

Mr. Erik Nielsen (Yukon): Mr. Speaker, could the Minister of Labour indicate whether there is any hope for an early conclusion of the Vancouver longshoremen's strike?

An hon. Member: It is over.

Hon. Bryce Mackasey (Minister of Labour): It was over on Friday and the men returned to work on Saturday.

ROYAL VISIT

GRANTING OF AMNESTY TO INMATES OF FEDERAL PRISONS

Mr. Frank Howard (Skeena): Mr. Speaker, perhaps I had better preface my question to the Solicitor General by saying I have been home during the past week and therefore the information I am about to seek may have been given. I should like to ask the Solicitor General whether the government, in taking account of Her Majesty's visit to Canada this year, is considering the use of the Royal prerogative to grant a special amnesty to inmates in federal prisons?

[Mr. Speaker.]

Hon. G. J. McIlraith (Solicitor General): No, Mr. Speaker. I will pay attention to the representations made by the hon. member, but I have nothing further to add to the answer I gave a week or ten days ago.

IMMIGRATION

DEPORTATION OF DESERTERS FROM U.S. ARMED FORCES

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, I have a question for the Solicitor General. Has the minister completed the inquiry into allegations of improper activity by officers of the RCMP in respect of the deportation of three Americans on January 25?

Hon. G. J. McIlraith (Solicitor General): No.

Mr. Nystrom: Could the minister indicate to the House when he expects the completion of the inquiry?

Mr. McIlraith: I expect to have the report within a few days—the sooner the better. However, until we find all the witnesses it is useless for me to use a crystal ball.

Mr. Nystrom: Will the minister undertake to make a statement on motions to the House when the report is completed?

Mr. McIlraith: I have already said in answer to the hon. member who raised the question a few days ago that I would give an answer to the questions posed by him. The nature of any answer and whether it would be on motions or otherwise will have to be determined when we see what the information is.

Right Hon. J. G. Diefenbaker (Prince Albert): When the minister said he was endeavouring to find the various witnesses, did he imply that the three individuals who were allegedly deported unlawfully will be consulted as potential witnesses, or that their side of the question will be reviewed and considered?

Mr. McIlraith: It is very doubtful whether we will be able to interview them, but I should add that I am quite sure the right hon. gentleman would be the first to check me if I were to attempt to bring in an incomplete report to the House.

Mr. Diefenbaker: Mr. Speaker, of course I want a complete report, and they are the people who know all about it.

AGRICULTURE

INVESTIGATION OF REMOVAL OF SERIAL PLATES FROM IMPORTED TRACTORS

Mr. John L. Skoberg (Moose Jaw): I have a question for the Solicitor General. In view of the answer given by the Minister of Agriculture, as recorded at page 2531 of *Hansard*, with regard to the removal of serial plates on tractors imported from England, in which the minister suggested that "the police were informed of that some time ago", and in view of the answer received today that the RCMP had not been informed of this incident, will the minister now say whether or not he will have a complete investigation conducted into this affair?

Hon. G. J. McIlraith (Solicitor General): No, Mr. Speaker, but the Solicitor General will look at the answer given today to see whether the representation made by the hon. member requires attention, and if it does it will be given immediate attention.

CANADA LABOUR (SAFETY) CODE

INQUIRY AS TO IMPLEMENTATION OF REGULATIONS

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of Labour. It relates to the Canada Labour (Safety) Code which Parliament passed, because it was urgent to do so, three years ago last December. Can the minister say whether the various sets of regulations to be passed under that Act have not been put into effect?

Hon. Bryce Mackasey (Minister of Labour): As the hon. member pointed out, there are various sets of regulations. If he would put the question in writing I would be able to give him a detailed report. I would prefer to do it that way so as not to mislead the House unintentionally.

Mr. Knowles (Winnipeg North Centre): I have a supplementary question, Mr. Speaker. With the information which he has on his desk, can the minister tell the House whether the safety regulations respecting the railroad industry have been passed?

Mr. Mackasey: The information on my desk does not tell me this, however, I will find out for the hon. member.

Mr. Speaker: I should like to suggest to the hon. member and to the minister that perhaps this is the type of question which should normally be placed on the Order Paper.

Mr. Knowles (Winnipeg North Centre): That would take a year.

GOVERNMENT ORDERS

SUPREME COURT ACT

AMENDMENTS RESPECTING APPEALS

Hon. John N. Turner (Minister of Justice) moved that Bill C-182, to amend the Supreme Court Act, be read the second time and referred to the Standing Committee on Justice and Legal Affairs.

He said: Briefly speaking, Mr. Speaker, the purpose of this bill is to broaden the access to the Supreme Court of Canada, particularly on matters involving disputes in law, mixed law and fact, and in disputes that may originate from federal administrative tribunals in this country. While broadening the access to the court, the bill tends to reduce those appeals involving matters of fact alone that would now get there "as of right", in order to allow the Supreme Court of Canada more opportunity in its heavier role to deal with matters involving the constitution, matters of federal and provincial statutory import, and matters of legal importance. In other words, this would relieve the court of some of the burden of reviewing cases involving mere factual appraisal and would give the court more opportunity to review matters of law.

I might say that in matters of import, any provincial court of appeal can still grant leave and will be able to grant leave to the Supreme Court of Canada on any matter, whether of fact, of law or of mixed fact and law, and indeed the Supreme Court of Canada retains its power to grant leave to appeal to the highest court in this country on matters of law, mixed fact and law, or matters of fact. So, by leave of the Supreme Court of Canada or of the provincial court of appeal there will continue to be complete access to the highest court. What we are doing here is eliminating to a certain degree appeals "as of right" involving mere factual matters.

The Bill does not deal with the structure of the court or with the constitutional position of the court but merely with certain

housekeeping items and certain methods of appeal from the lower courts to the high court.

I wonder whether, before I give a cursory explanation of the bill—because the bill if adopted on second reading here will go to the Standing Committee on Justice and Legal Affairs—I might, with the consent of the House, include two tables in *Hansard*. One table deals with the numerical summary of cases heard by the Supreme Court of Canada between 1955 and 1969, and the second table lists the number of motions heard in the Supreme Court of Canada between 1955 and 1969; in both cases the years are inclusive. These tables will illustrate, for the benefit of the House, the increase in the volume of business before the Supreme Court. Perhaps I might have the consent of the House to have those two tables printed in *Hansard*.

Mr. Speaker: Is it agreed?

Some hon. Members: Agreed.

[*Editor's Note: The text of the foregoing tables is as follows:*]

Motions heard in Supreme Court of Canada, 1955-1969: 1955, 10; 1956, 10; 1957, 12; 1958, 48; 1959, 66; 1960, 89; 1961, 73; 1962, 104; 1963, 87; 1964, 89; 1965, 110; 1966, 99; 1967, 130; 1968, 139; 1969, 129.

SUPREME COURT OF CANADA

Numerical Summary of Cases Heard by the Court 1955–1969

	1955	1956	1957	1958	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969
Western	37	24	18	27	30	27	31	27	42	37	18	47	51	41	40
Atlantic	7	4	6	1	1	9	8	3	10	3	3	3	1	6	5
Quebec	24	17	35	35	42	38	50	44	37	29	27	22	44	30	39
Ontario	31	69	44	38	47	36	32	36	32	38	66	34	55	53	59
Total	99	114	103	101	120	110	121	110	121	107	114	106	151	130	143

Numerical Summary for Last 3 Five Year Periods

	1955–59	1960–64	1965–69
Western	136	164	197
Atlantic	19	33	18
Quebec	153	198	162
Ontario	229	174	267
Total	537	569	644

The above summaries do not include motions in Court which have increased from 10 in 1955 to 129 in 1969. This increase results from amendments to the Criminal Code and the Supreme Court Act in 1956.

Mr. Turner (Ottawa-Carleton): Without going into a clause by clause analysis of the bill, which would be trespassing on the rules of the House at this stage, I should like to describe four amendments of primary significance. The first is that all the applications for leave to appeal to the Supreme Court of Canada shall in the future, with the exception of cases involving an offence punishable by death, be heard by three judges of the Supreme Court. It is the general rule now that three judges should be petitioned for leave to appeal, but there are still a number of statutes on the books which allow a petition for leave to appeal to be heard by one judge alone. It seems to me that this is too restrictive and that one judge of the Supreme Court of Canada should not himself have the jurisdiction to decide whether the court should hear a matter of importance. As I said, applications for leave to appeal involving offences punishable by death will continue to be dealt with by a quorum of five judges.

The second matter to which I should like to draw the attention of the House is the amendment I have already described to section 36 of the Supreme Court Act which is the general section giving a right of appeal to the Supreme Court of Canada on matters of law, mixed law and fact, and fact.

Under the present law that section gives a right of appeal "as of right" when the matter

in dispute is over $10,000. The proposed amendment will confine the grounds of appeal to questions that are not questions of fact alone. As I said, section 36 deals with appeals "as of right". The fact that we are restricting "as of right" appeals to matters of fact alone does not mean that factual cases cannot still get to the Supreme Court of Canada by way of leave granted by a provincial court of appeal or by leave granted by the Supreme Court of Canada if, in the opinion of either court, the matter is of sufficient importance, albeit a factual matter, that it deserves to be heard by the court.

The third aspect of the bill to which I should like to draw the attention of the House deals with habeas corpus. The Supreme Court Act now vests jurisdiction in the judges of the court to issue writs of habeas corpus in criminal cases. This jurisdiction is concurrent with that of the judges of the superior courts of the provinces. By that is meant that an imprisoned person may seek a writ of habeas corpus from either a judge of the Supreme Court or a judge of a provincial superior court.

• (3:00 p.m.)

Prior to 1965 there was no appeal to the Supreme Court of Canada in respect of habeas corpus in criminal matters from decisions of Superior Court judges of provincial courts, but in 1965 the Criminal Code was amended to provide for appeals in matters of habeas corpus from provincial superior courts, through the appeal procedures to the Supreme Court of Canada. Now that access to the Supreme Court from judges of superior provincial courts is provided for, respecting habeas corpus in criminal matters, it is considered unnecessary that the concurrent original jurisdiction should be continued.

Finally, by way of a fourth point, appeals may now be taken to the Supreme Court of Canada which circumvent provincial courts of appeal with leave of those courts if the parties consent and the amount in controversy exceeds $2,000. It is proposed that the granting of leave be vested in the Supreme Court rather than the provincial courts and that the requirement concerning $2,000 be dispensed with.

The bill contains a number of additional amendments of lesser significance which might be described as housekeeping amendments relating to notices of appeal, deposit of security, supplementary rules of procedure and the use of law stamps. With two exceptions, the amendments contained in this bill are the same as those included in the bill to amend the Supreme Court which was introduced in the Senate as a government measure on September 24, 1968, and passed by the Senate on October 23 of that same year. I want to deal with the two differences.

The first exception is that in the Senate bill it was proposed to amend section 36 of the Supreme Court Act to provide that the right of appeal thereunder was on a question of law alone. As already indicated, this new bill amends section 36 to provide that an appeal lies on a question that is not a question of fact alone, thereby allowing for appeals as of right under that section on questions of mixed law and fact. This change was made after receiving representations from the Canadian Bar Association which struck a special committee to review the earlier bill, and that committee was of the view that to provide a right of appeal on a question of law alone was too confining.

The Senate bill also proposed increasing the figure of $2,000 to $10,000 in respect of those appeals already mentioned which can be taken to the Supreme Court without prior determination by provincial courts of appeal. This would have brought the monetary figure of those appeals in line with those in section 36.

This proposal ran into considerable opposition when the bill was before the Senate, and indeed from certain hon. members in this chamber, on the ground that it would reduce the public's access to the Supreme Court. As leave to appeal to the Supreme Court will have to be obtained, from the Supreme Court it is not considered necessary to have any monetary limit. If on an application for leave to appeal the Supreme Court considers the appeal has merit it should and will go forward regardless of the amount involved.

That is a brief summary of the purport of the bill, Mr. Speaker, and if the bill receives approval on second reading and moves to committee, then of course in the usual way we can deal with the clauses in detail.

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I might say at the outset that we on this side of the chamber certainly endorse the bill going to committee, and we wish to congratulate the minister on the changes that he has made from the bill that was debated in this House on October 7, 1968. I am very happy to see the monetary requirement taken out of the previous bill. As I said on that

occasion, when the Senate proposed to change the amount from $2,000 to $10,000:

> I am against such a step on two grounds. Over the week end Senator Roebuck said—and I agree with him—that we are really shutting the door of justice in the Supreme Court of Canada to citizens of the country if we enact a provision stipulating that cases before that court must involve $10,000 or a question of law. The average citizen of Canada will be denied the right to go before the highest court of the land, which to me is a very dangerous approach to justice.

There is no doubt that the judges of the Supreme Court of Canada are over-worked. But there are two ways to get around the problem. One is to increase the number of judges of the Supreme Court, and the other is to provide them with the assistance that U.S. Supreme Court judges receive. In the United States, Supreme Court judges have the assistance of young lawyers of top scholarship, who help in the writing of their judgments. Here in Canada with respect to the Supreme Court we must preserve what is good. As Thomas Jefferson once said:

> We owed it to do, not what was to perish with ourselves, but what would remain, to be respected and preserved through other ages.

The proposed amendment to the original bill S-8, which is now S-182, which changes the words "on a question of law" to "on a question which is not a question of fact alone" is a good amendment.

It is a fundamental principle in any appellate court, whether it be in the appeal court of a province or whether it be in the Supreme Court of Canada, where there is a question of fact and fact alone there can be no appeal. As Your Honour knows, the trial judges are the lords and masters of the facts. Once they have properly and in accordance with the rules of evidence found the facts, those facts are the facts of the case. However, if wrong inferences are drawn from the evidence, or a finding of fact by a trial judge is based either on no evidence or wrong evidence, then that becomes a question of law, or at least a question of mixed fact and law.

It has always been a good rule of law that the Courts of Appeal are in as good a position to draw inferences as a trial judge. Therefore, I congratulate the minister on accepting our viewpoint, and agreeing to appeals, to use the proper terminology, "on a question which is not a question of fact alone."

I have said over and over again in this House, and maybe that is one contribution which I have made, that there should not be a law for the rich and another one for the poor.

It is in the application of the law that discrimination arises. Therefore, to base the jurisdiction of the Supreme Court of Canada on monetary amounts is wrong in principle, contrary to natural justice, and is a carry-over of the old laissez-faire philosophy.

I hope that when this bill is studied by the committee it will be seen that the appellant will have two methods of proceeding. One is to apply for leave to appeal prior to the hearing. That of course cuts down the costs because it does not require that the appeal books be printed. On the other hand, if the appellant wishes to appeal direct without that leave, I trust the bill provides that he may do so but he must satisfy the court that the matter involved does not concern a question of fact alone.

I do not know of any better rule than that the trial judges should be the lords and masters of the facts. But it does give a trial judge real power, and it is a known fact that sometimes facts are shaped and trimmed, stated and restated in order that an appeal cannot go any further because the facts are all tied up. The finding of a fact by the trial judge is all powerful, and as I understand reviews of the appeals of the Supreme Court of Canada made by a research group, and covered recently in *Maclean's* magazine, trial judges' judgments in Canada are restored more often by the Supreme Court of Canada than the reverse.

• (3:10 p.m.)

An hon. Member: Always.

Mr. Woolliams: Somebody says always, and he is correct. Putting it another way, when provincial appellate courts endeavour to interpret the facts as being a mixed question of fact and law, the Supreme Court of Canada very often reverses the Provincial Appellate court. It is, therefore, important, in the light of this fact, that our appeal courts be made up of very strong men and good men. We have a good court of appeal in western Canada. If I may digress I would say that the new judge, Mr. Clermont, Q.C., an able lawyer who has been appointed to the Appeal Court of Alberta, will be an asset to that court. His appointment is in keeping with the high tradition which has been followed by the various ministers of justice throughout time.

I now turn to a recommendation I should like to make. Having congratulated the minister, I must now say that I feel one thing has been overlooked. I should like to refer to a case that stands unchallenged and unchanged

by this bill, and I hope the committee will do something about it. The case is Goldhar *v.* The Queen, and the citation is 1960 Supreme Court of Canada Reports, page 60. This appeal concerns the right of the Supreme Court of Canada to hear an appeal as to sentence. It was held, with dissent, that the court had no jurisdiction to entertain an appeal against a sentence imposed for the commission of an indictable offence. Now, on the face of it, one would say you have your courts of appeal in the provinces and that would be sufficient review. But, Mr. Speaker, I want to bring to your attention and to the minister's attention the situation which results from a social problem now existing in our society. Because of the widespread use of drugs by young people across the nation, certain apparent injustices occur.

If we had a computer and fed into it the data covering all the charges laid concerning drugs, the election made by Crown counsel whether to proceed under the Narcotics Control Act or the Food and Drugs Act—which makes an awful difference to the kind of sentence handed out—the age of the people charged, whether 15, 16, 17, 21 or older and whether the trial was by judge and jury, judge alone or magistrate, we would be shocked at the variation between the sentences imposed in one part of the country as against another, on an identical charge. Sentences vary from a fine, a heavy fine, to incarceration for a year or two years. When the courts deal with incarceration, because of the provisions of the Narcotics Control Act, sentences for trafficking vary from seven years to life. This is entirely different from the Food and Drug Act under which it is much easier to proceed by summary conviction and that could lead to a variation in sentence from one year to five years for 18 and 16 year olds.

What we need, Mr. Speaker, is uniformity in sentencing, whether a man or woman lives in British Columbia, the Maritimes or Ontario. If the charge is identical, then so should the sentence be. Of course, without being critical, you cannot get uniformity by merely passing an act which provides a maximum of seven years or life for trafficking in a narcotic. What you can do is try to get uniformity in the courts of appeal and in the decisions of trial judges.

Now where does the Goldhar case fit into the situation? Since the minister has taken my advice on the amendment with reference to the monetary situation, I hope he might also take my advice with reference to the Goldhar *v.* the Queen case. The decision in that case reads:

> This Court has no jurisdiction to entertain an appeal against a sentence imposed for the commission of an indictable offence.

The indictable offence in this case involved trafficking in narcotics in British Columbia. The sentence was appealed on the grounds that it was too stiff. The Supreme Court of Canada never considered the duration of the sentence but only whether they had a right to hear the appeal.

The first point I want to make clear is that if the Supreme Court of Canada were given the right to review the sentence—under certain circumstances it may be more a question of asking for leave than getting some rules laid down—we should not find a situation where a person charged with trafficking got anywhere from one to five to seven years, depending on the judge or how the people in that particular region feel.

When this bill comes before committee I would hope it would be amended to make certain that the Supreme Court of Canada can hear appeals as to sentence. The law is not an exact science and in the Goldhar case the present Chief Justice, a very distinguished jurist and scholar, dissented, but the court ruled that:

> This Court has no jurisdiction to entertain an appeal against a sentence imposed for the commission of an indictable offence.

After reviewing the law, Justice Fauteux, who wrote the judgment for the majority, stated:

> For these reasons, I am clearly of the view that nowhere in the relevant provisions of the new Code—

He is not referring to the last amendment, but when the Code was completely overhauled a few years ago.

> —did Parliament indicate, either in express terms or by clear implication, any intent to alter the prior state of the law, under which there is no appeal to this court in the matter of sentence.

In other words, section 44 of the Supreme Court of Canada Act did not change the law and there is no right of appeal to the Supreme Court of Canada, either with leave or without leave, on a question of sentence.

In Alberta, young men and women were given five years for various offences under the Narcotics Control Act. The Appeal Court reviewed those sentences and cut them to two years less a day. This is a great difference. As the minister pointed out, some of the young

people did not have the means to retain counsel. One young person has written to me that he pleaded guilty before a magistrate and got three years. This was before the decision by the Court of Appeal. Another young person was sentenced to four years, signed a waiver of appeal and now has no right of appeal. His offence was no more serious than some others who did have counsel and had the money to go to the Appeal Court. Surely, that is injustice. The only hope I have lies with the parole board which does such a fine job in these cases, sometimes allowing young people daily leave in order that they can take employment.

I have told the minister that I will go along with the changes in the act but that we should make certain that anyone who has been found guilty or who has even pleaded guilty to an indictable offence and feels that he did not get justice should be able to take the matter further, even to the Supreme Court of Canada. Rules should be laid down to be followed by trial judges in order that there be uniformity in the law. This is my recommendation, Mr. Speaker, and my party's recommendation. Since the minister accepted our other recommendations, I trust the committee will accept this one.

• (3:20 p.m.)

Mr. Andrew Brewin (Greenwood): Mr. Speaker, as the minister said, the amendments proposed in Bill C-182, an act to amend the Supreme Court of Canada Act, are largely concerned with technical matters; a tidying up, not really earth-shaking legislation. I suggest to the minister that while we appreciate this and are in general agreement with the proposals, the act nevertheless requires a thorough going revision and review. Anyone who has had occasion to worry about the Supreme Court of Canada Act knows it is complicated, obscure and antiquated. Although the bill seeks to tidy up the act, may I commend to the minister, in the spirit of the federal law commission he has just announced, that the act be looked into as a whole. I think it ought to be rationalized, brought up to date and made clearer for those who wish to understand it.

It is also true that the present act does not raise any fundamental issues with regard to the composition of tribunals. May I sound a conservative note here and say that when this matter is considered I hope we will not rush headlong into the United States practice of having such appointments considered by the Senate, the House or any committee of either body. I would sooner rely on the good sense of the minister, the Prime Minister (Mr. Trudeau) and his colleagues, no matter what party is in power, to avoid partisan and improper appointments, than see appointments to the judiciary treated as a matter sensitive to political agitation.

Before dealing with the actual amendments before us, may I say a word about the Supreme Court of Canada as an institution. We hardly appreciate in Canada that this institution is of major and fundamental importance to our entire parliamentary democracy and that it is a tremendously important part of our constitutional set-up. Yet in the words of the poet whose name I forget, it is unwept, unhonoured and unsung. Not only that, but the proceedings of our Supreme Court of Canada in large part are unobserved. I think that is wrong. In our country the Supreme Court of Canada is as important an institution as the Supreme Court of the United States is in the United States. The names of United States Supreme Court judges are household words. Hordes of tourists pour through the United States Supreme Court buildings, and they have to be turned out at 15 minute intervals. The personalities of the judges are scrutinized to see if they are of conservative or liberal temperament—and I use these terms in the non-political sense.

Yet in Canada, somehow or other, our people overlook the importance of this most important institution. If the government sums up enough courage to bring in a firm form of income control, the whole matter could become a constitutional issue which the court will have to determine. It is my hope that it will be determined quickly by a reference. If the government does what I think is its duty to combat inflation, it will deal firmly and effectively with this subject. The matter of whether the government, under the constitution, has authority to bring in such a far reaching measure is also something the Supreme Court of Canada may have to decide.

We hear much these days about the subject of pollution and the House has before it a bill respecting water quality. Before the Committee on National Resources and Public Works, experts the other day were discussing the question of who has jurisdiction in this field. Personally, I am of the view that the co-operation of all levels of government is necessary. But in the final analysis, I believe that there is a firm constitutional responsibility on Parliament and the Government of

Canada to deal with this all pervasive subject of pollution. If it is to be dealt with, then sooner or later and I hope sooner rather than later, it will have to be considered by the Supreme Court of Canada. The life, fate and well-being of Canada rests with that court. The Supreme Court of Canada is a very human institution, but it is a great institution nevertheless.

I know of no man who was more highly respected as a judge than the late Chief Justice Duff, before whom I had the honour, as have other hon. members here no doubt, of appearing on several occasions. There have been few greater minds in any court in any part of the world. Also, I think it is appropriate at this time to pay a tribute to the Chief Justice of Canada, Chief Justice Cartwright, who is to retire I think at the end of this month. He is a great judge and a great gentleman. In view of his imminent retirement, I think it is perfectly proper for me to pay a tribute to him in this House.

The Supreme Court of Canada has been the guardian of the fundamental rights of Canadians. One could refer to a whole line of cases that bears this out. The court brought down what is known as an unofficial bill of rights; it struck out the infamous Padlock Act; it decided against the Press Act of Alberta; in the Boucher case it brought down a judgment which limited sedition to a reasonable scope and prevented charges of sedition being used to suppress fundamental freedoms of speech. In the Roncarelli case a provincial prime minister was required to pay damages for intimidation of the man who was only trying to assist in administration by giving bail to a witness of Jehovah. In a recent case involving only $10 the Supreme Court of Canada gave leave to an appellant to appeal because the court was of the view that a fundamental right was involved, the right of a citizen to post on his own home an election sign saying, "Vote for Joe Bloe", or whatever the name might be. The Supreme Court of Canada, by a five to four decision, held that what was done constituted an attempt by way of municipal bylaw to infringe on political rights of Canadians. Having been a successful counsel, I naturally think that this was an excellent decision.

Mr. Turner (Ottawa-Carleton): Your client had a perfect right to post his notice, but he showed bad political judgment.

Mr. Brewin: I have said enough to indicate that what we are now discussing, the jurisdiction of the Supreme Court of Canada, is of very great importance. The court itself is most important as a Canadian institution.

Perhaps I ought not to deal with the details of the bill since I can speak on those when the bill goes before the committee. I submit that the provision that applications for leave to appeal must be heard by three judges is excellent. In the Truscott case only one judge made the decision with respect to leave for appeal. I think the Supreme Court of Canada ought to have reviewed the case *ab initio* instead of reviewing it only after great public clamor. I approve of the amendment to section 36 which provides that appeals to the Supreme Court lie on questions that are not questions of fact alone. That makes sense. The Supreme Court, after all, is a most important tribunal and must deal with important matters involving the constitution. It is primarily a court of law and must determine what the law is. I think it is well to allow the lower courts to determine questions of fact as a general rule.

The amendment with regard to habeas corpus sounded very reasonable and logical according to the ministers' explanation, but I shall have to look into it more closely because, after all, habeas corpus is a writ affecting the liberty of the subject and we must examine carefully this ancient right. We know that appeals from provincial courts may be adequate in such matters; nevertheless, I reserve my right to comment on this amendment at a later stage in the proceedings. There is a provision which would allow appeals to circumvent provincial courts, to use the language of the minister, and make the hearing of them depend on leave instead of a monetary limit. That is sound. I entirely agree with the hon. member for Calgary North (Mr. Woolliams) that appeals should not be measured out by the exact monetary amount involved.

• (3:30 p.m.)

We will not obstruct or delay the passage of this particular bill. It is a small bill, a tidying up bill. We not only take this opportunity to pay tribute to the court, but also to say to the minister the court could be even more effective if a thorough job was done in revising this act. By relying on the tidying up processes, there is sometimes a tendency to confuse the unfortunate members of the law profession, because they have to follow all the amendments from time to time. That is not

easy. I would like to see the whole act subjected to careful scrutiny, rationalized and made dependent in nearly every case on the leave of the Supreme Court of Canada because that court is best able to judge the cases which have significance as a whole. I think they can be trusted to grant leave to appeal where real issues of law or liberty emerge, and where issues of the rights of Canadians are seriously endangered.

Mr. Speaker: Is the House ready for the question?

Some hon. Members: Agreed.

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

Some hon. Members: Agreed.

Motion agreed to, bill read the second time and referred to the Standing Committee on Justice and Legal Affairs.

Mr. Turner (Ottawa-Carleton): On a point of order, Mr. Speaker. I want to thank the House for the speedy disposition of the last bill. I have had it indicated to me from all sides of the House that there is a willingness to move into the private members' hour at this stage because of the change in the order of business. I wonder whether that agreement has been relayed to Your Honour?

Mr. Speaker: Is it agreed the House now proceed to the consideration of private members' business as listed on today's order paper?

Some hon. Members: Agreed.

Mr. Speaker: It is understood that according to the Standing Orders there is a limit of one hour for the consideration of private members' business which will be before the House at this time. I have been given to understand it is the wish of the House that we rise immediately thereafter to give hon. members an opportunity to prepare for the debate which will be called later on.

Pursuant to special order, 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.

Mr. Forest: I understand the hon. member for Parkdale (Mr. Haidasz) is on his way and will be here in a minute to discuss his bill. He is ready to proceed.

Mr. Woolliams: We have just been too fast, Mr. Speaker.

[Mr. Brewin.]

Mr. Speaker: I find it difficult to agree with that suggestion. If it is the wish of the House, we shall wait a moment until the hon. member for Parkdale arrives so that the motion can be put to the House.

• (3:40 p.m.)

PRIVATE MEMBERS' MOTIONS

INCOME TAX

SUGGESTION THAT TAXES AND RENTAL PAYMENTS BE MADE DEDUCTIBLE

Mr. Stanley Haidasz (Parkdale) moved:

That, in the opinion of this House, the government should give consideration to the feasibility of allowing residential taxes on owner-occupied homes and rental payments of accommodation by tenants to be deductible from federal personal income tax up to a maximum allowable of five hundred dollars each year.

He said: Mr. Speaker, I welcome this opportunity to introduce again in this House a motion designed to come to the relief of the over-burdened Canadian taxpayers. In doing so, I hope to bring to the attention of the federal government, and especially to the attention of the Minister of Finance (Mr. Benson), the urgent need to ease the great burden of the Canadian taxpayer who is not only heavily taxed but, in some cases, the victim of double taxation.

It is my opinion, one which I believe is shared by many people, that those who dwell in owner-occupied homes as well as those who live in rooming houses and apartments deserve favourable consideration from the Minister of Finance. The growth of our cities in Canada is reaching a critical point. The federal government has a stake in the provision of financing for houses as well as the provision of incentives leading to the creation of greater employment opportunities for city dwellers and to lend money to the municipalities to enable them to provide such essential services as education, protection, and measures to reduce pollution. However, the extent to which the federal government can be involved in the affairs of our cities is limited by the terms of the British North America Act, and provincial governments, which have most responsibility for land use planning, regional economic planning, regional servicing and education have, unfortunately, not yet produced adequate policies and programs to deal with the problems of our urban areas.

Most of these fields have traditionally been left to local municipalities whose power to

raise money to keep abreast of the demand for more services caused by increased industrialization and growing urban population is limited. And so we are subjected to increased municipal taxes every year. In his inaugural address to the Toronto City Council on January 7, 1970, the Mayor of Toronto stated:

> If there was one message which came through loud and clear during the last municipal election, it was the appeal from home-owners of this city that they cannot afford to pay higher taxes.

Among other things, Mr. Speaker, the mayor also stated that he was most disappointed to see no mention in the federal government's white paper on tax reform of a resolution which was considered by the Canadian Federation of Mayors and Municipalities calling for a new provision to allow municipal property taxes to be deducted from individual taxable income. Such a provision is allowed in the United States and it avoids the injustice of forcing a homeowner to pay a tax on income which had already been taxed.

A person paying property tax is, in effect, paying a double tax. The hard-earned money with which Canadians pay their property taxes has already been taxed to death by provincial and federal governments. Many tax experts have described residential taxes as being inequitable and regressive bearing heavily upon those who can afford to pay them least. At the present time, property taxes paid by businessmen are deductible; property tax paid by apartment-owners is also a deductible item. Single-family zoned homes rented to tenants fall into the same category. Furthermore, the owner of an apartment building can take advantage of corporate tax law by deducting his operating costs, mortgage interest costs and municipal taxes whereas dwellers of owner-occupied homes, like tenants in boarding houses and apartments, get no such relief when computing their federal income tax.

Reading the speeches and resolutions of the mayors and councillors of Canadian municipalities it becomes obvious that there is a growing dissatisfaction with the senior levels of government for failing to give the subject of municipal taxation the attention which it deserves. The rumblings of discontent are growing louder each day. I believe it is imperative that the Minister of Finance, together with his provincial counterparts, give this matter serious attention, and, I hope, favourable consideration.

House and property stand at the centre of most people's lives. Proper shelter means security. It also means independence and privacy. It contributes to a better family life and to conditions which make it more satisfactory to raise a family. Unfortunately, the increase in the housing costs index between 1964 and 1967 showed it to be the most rapidly rising component of consumer prices in that period.

Senior citizens are particularly at a disadvantage as far as municipal taxes are concerned. I am sure hon. members would agree that inflation has most affected those who lived on fixed incomes. Older people with limited retirement incomes are obliged to exist on small pensions. In their earlier years senior citizens denied themselves many things in order to pay off mortgaged homes. Today they find themselves faced with ever-increasing municipal taxes. Many of them are forced to sell their homes and live in apartments. But tenants in apartment houses also face rent increases whenever municipal taxes rise.

By supporting this motion, hon. members will make it possible not only for those who reside in owner-occupied homes but also for people who live in boarding houses and apartments to claim an exemption in connection with their personal income tax. This would ease the intolerable load of taxation which is now such a heavy burden on Canadians. I believe the finance committee of the House of Commons should consider the subject matter of this motion in the course of its study of tax reform. I hope the Minister without Portfolio (Mr. Gray), who assists the Minister of Finance, will support my motion as he supported a similar motion which I presented to the House during the last session of Parliament.

Mr. Speaker, this is a rare opportunity for us to reduce federal income taxes. I am sure the people of Canada would welcome action of the kind proposed in the motion, and this is why I appeal to all hon. members to support it.

Some hon. Members: Hear, hear.

Mr. Lincoln M. Alexander (Hamilton West): I had not intended, Mr. Speaker, to take part in the debate on the motion of the hon. member for Parkdale (Mr. Haidasz), but I learned of it earlier this afternoon while I was on the plane with him, and I thought it was a particularly interesting motion inasmuch as the opinion expressed in it has been a platform of Her Majesty's Loyal Opposition.

What originally concerned me was that in referring to tenants there might have been a

certain amount of discrimination with the result that one section of society, the householders, would be given a tax advantage while another, those who were renting accommodation, would receive no such benefit. I was, therefore, pleased to see by the terms of the hon. member's motion that there is to be no such discrimination—that the proposal covers both householders and those who are renting. In these circumstances, I am pleased to speak in favour of the motion; it appears that even though the government is attempting to discourage home ownership, to judge from some of the proposals in the white paper on tax reform, here is a parliamentary secretary who believes the time has come to give a break to those who own or rent homes.

• (3:50 p.m.)

I should like to say that, on the one hand, we have a government member attempting to bring relief or some incentive in respect of home ownership, while at the same time, his party is proposing reforms or changes to our tax structure which would hamper the small businessman. It is unquestionable that he has played a great role in respect of home ownership. Further, we say that this white paper, in effect indicates there is a desire on the part of the government to bring homes into a proposed capital gains structure. These two things indicate there is something wrong in respect of the thinking of the government. I am glad to see that my hon. friend has now set the government back on a proper course. Perhaps he might refer the matter to the Minister of Finance (Mr. Benson), and the Minister without Portfolio in charge of housing, and they might look upon his motion with some sympathy.

I think it is time we started to realize that the home owner, as was so adequately stated by the parliamentary secretary, has been undergoing tax frustration which leads him to the point where he says, well, what is the sense in owning my home. It is not necessary to refer to the white paper. However, I think this motion would give an incentive to the home owner in the form of some tax relief. What about those on fixed incomes and those on pensions who also need a break? Apparently they are not to be given a break. It would appear to me that if the government were sympathetic to the hon. member's motion, relief would be given. The government might then be in a position to say, this is the just society and we are attempting to bring the legislation into line to show that we are giving some thought to those people on the bottom of the economic ladder, that we have heart, contrary to what a former secretary of state actually indicated.

I should like to mention another point with regard to the motion. There has been a suggestion that the government cannot move in respect of the municipalities because the municipalities are the creatures of the provinces. It is suggested this creates a constitutional hang-up, which is amazing. Here we have a motion, the effect of which would be to give direct assistance to those affected by urban living. In this motion we are saying that, regardless of the constitution and the fact that the municipalities are creatures of the provinces, we can become involved and therefore can entertain such a motion which would give some assistance. I should like to point out that although it might seem at times that the constitution can be a barrier in terms of direct government intervention, in many instances this is not so. Here is one instance in which it is clear that the federal government can intervene to relieve the frustration of urban living.

I hope, as stated by the parliamentary secretary and the Minister without Portfolio in charge of housing, that the Minister of Finance will be sympathetic to what we believe is a very commendable motion in view of the frustrations resulting from increased urbanization. In view of the lack of enthusiasm in respect of the government's proposed changes in taxation, and even if the government is insistent on these changes, I hope we are now at a stage, where some relief can be given those who own and rent homes. Since some members on the government side believe in this proposal I hope we are at the stage where we can say that a home can still be a man's castle and not subjected to undue taxation.

Mr. Andrew Brewin (Greenwood): Mr. Speaker, I think it would be impossible for anyone who comes from a residential urban area and who represents people on modest incomes, as I and the hon. member for Broadview (Mr. Gilbert) do, not to be entirely sympathetic with this resolution. The resolution calls upon the government to give consideration to granting relief in respect of taxes and rents. I should like to point out, as I believe most hon. members are aware, that no group in our population is more frustrated or feels more unhappy than that group of people on small fixed incomes whose home ownership is being threatened by the ever-rising burden of

real estate and income taxes and, for that matter, the rising rentals. I do not suppose there are any members from urban areas who do not receive almost daily cries of anguish from those suffering from this situation.

I think the hon. member for Parkdale (Mr. Haidasz) is to be warmly commended for bringing in this resolution, I believe not for the first time, and for bringing this human urban problem to the attention of the House. I am not completely satisfied about the limits he proposes. I notice all that is being asked is that the government should give consideration to this matter. The government is not being asked to legislate in this regard. Certainly I think we in this party can support the resolution, although as I said I am not quite happy about the $500 deduction as the overall amount. As I read the resolution, this $500 would be deductible from the tax and not from the taxable income. I suspect some people might be beneficiaries in this regard who do not need to be beneficiaries and who are more able to pay their proper real estate and income taxes. I think that should be looked into. I think the limit of the benefits to be given should be considered. I should like to hear what the Minister of Finance (Mr. Benson) has to say about the effect of this proposal, although after having heard him I might disagree with him.

I would suggest to the hon. member who introduced this resolution there is another aspect in respect of the exemption which should be looked into. I have in mind the giving of an incentive through income tax deduction or exemption to those who improve their houses. One reason for the so-called decay or deterioration of housing in urban areas is the fact that the cost of repairs is a tremendous burden. With the tax and other burdens many owners feel they are unable to maintain their houses at proper standards. I think the matter of an exemption in respect of those home owners who spend money on repairing existing housing should be considered. The Minister without Portfolio in charge of housing is not here, but I never like to let an opportunity pass without saying in respect of the whole field of housing management that attention should be paid to the question of rehabilitating the existing stock of housing as against the necessary but not more important question of building more public housing, in particular for those in the lower income brackets.

• (4:00 p.m.)

Therefore, Mr. Speaker, we in this corner—perhaps I should not speak for the whole corner because I might easily be repudiated for adopting too wide a constituency, and therefore perhaps I should say we in this party—think this resolution is worthwhile because it deals with a vitally important subject. It aims in the right direction in using our tax laws to assist and benefit those who need it most. We think this is an eminently proper subject for discussion. If this resolution is passed, it might well be referred to the Committee on Finance, Trade and Economic Affairs so they can examine the matter and suggest alternative proposals to do what we know is of basic importance if there is to be a just society in this country, and that is to relieve the burden on the small home owner and the small income tax payer of this country.

Mr. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, it seems that this motion has two objects: one is to help the citizen with his problems in financing his house, and the second is to bring about a more equitable Income Tax Act or a reformed tax act. While I am sympathetic to both goals, I do not know whether this motion is the best way of accomplishing these ends.

Some hon. Members: Oh, oh.

An hon. Member: Here comes the hatchet.

Mr. Allmand: I am listening to the very interesting comments of my friends in the opposition and I will deal with them a little later.

Mr. Alexander: With the oh, oh's?

Mr. Allmand: I agree fully that many Canadians are having difficulty in financing their housing. They are having difficulty with their mortgage payments and their residential and school taxes. But, as I said, I have doubts as to whether this type of motion will best help these people. Last year the hon. member for Parkdale (Mr. Haidasz) had a similar motion on the order paper but, if I remember correctly, he did not have the $500 maximum. He is nodding that he did. Several years ago I spoke on a motion such as this in which there was no maximum of $500 and which did not apply to rental. At that time I objected to the motion because I felt that the people who needed help most were not getting it. For example, those who had $100,000 or $50,000 homes were getting much larger deductions

than those who had $10,000, $15,000 and $20,000 homes. I did not think it was fair that the measure to help people with their housing should be based on the value of their homes, as residential taxes are. I felt that if we wanted to help people with housing, there were better methods of doing it than merely allowing them to deduct their residential taxes.

The motion today puts a $500 maximum on this proposals, but I still feel that it does more to help those with bigger homes than those with smaller homes. While I approve of the motion because it merely states that the government should give consideration to the feasibility of these measures, I have a real question in my mind as to whether this type of measure is the best way of helping those people who have trouble in financing their own homes or in paying their rent.

Mr. Alexander: We will be discussing it in the committee.

Mr. Allmand: That may be the best way, but this is not a motion for second reading of a bill which automatically goes to a committee. It is a motion that the government should give consideration to a certain measure, and I feel that this debate is an occasion when members of the House can put forward their counter proposals and their doubts concerning the motion.

As I said, like many hon. members I am very sympathetic to the problems of people who are trying to pay for their homes, and I am particularly sympathetic to those who have lower incomes and cannot purchase a home. I feel that if we introduce measures, they should be directed more to those people, and this motion does not really deal with the problem. It might be better to provide direct grants to people who are having difficulty, let us say by amending the National Housing Act, so that we might directly subsidize those on low incomes who need housing. It may be that we should give tax credits to those on medium or low incomes to help them finance their housing, or we could even provide exemptions or deductions as proposed in the motion to be applied only to those who are 65 years of age or over.

I have noted recently that several municipalities around Montreal have decided to freeze residential taxes once a person goes on pension. I think this is very worthwhile because most people buy homes in the early years of their working lives, when they are in their 30s and 40s. They buy a home looking forward to a certain income which will allow them to pay up their homes and to pay their taxes. However, what is happening is that people retire at the age of 65 on company pensions or government pensions which are more or less fixed. They have these large homes which they purchased in previous years and on which residential and school taxes are increasing, but their incomes are fixed. I congratulate those municipalities which have recognized this problem and decided to freeze residential taxes for those who have retired. Perhaps we should give this proposed exemption for rental or for taxes to people who have retired at the age of 65. Perhaps that would be more equitable.

I have other suggestions also. Perhaps for people on lower incomes we should give tax credits, or perhaps we should restrict the measure to those who really need it rather than apply it to all those who own their own homes because, as I mentioned, those with the larger homes would get larger exemptions.

This brings us to a real difficulty whenever we talk about reforms and exemptions. It is very easy for a member of Parliament or for a politician to approve new exemptions for this and new deductions for that. This is an easy way of becoming popular with a group of constituents. However, if we are to be responsible, when we propose exemptions and deductions which will mean that the government will lose a large amount of revenue—and if this measure were to be accepted the government would lose a very large amount of revenue—and if we want to maintain our government services at the same level, we should think of ways to make up that loss in revenue.

That has been one of the difficulties we had in the debate on the white paper on taxation. Many people approved increased exemptions, for example, for those people on fixed or low incomes or exemptions for people who work and who need to have day care for their children. It is easy to approve such exemptions, but those people also disapproved of the necessary measures to make up the lost revenue. As I said, if we are serious about motions such as this and we want to grant exemptions to people in certain areas in this country, if we want to grant them deductions which will cost millions or perhaps billions of dollars, we have to be ready to increase taxes in another area in order to maintain our revenue at the same level and to give the same services. Otherwise, we are being irresponsible and acting as demagogues, even

though we are catering to the legitimate wish of everyone to lower the tax burden. But you cannot have it both ways. You cannot lower tax burdens and also increase services to the public. You have to deal with both problems.

• (4:10 p.m.)

The hon. member for Hamilton West (Mr. Alexander) said some very fine things. However, I was a bit disappointed when he stated that the government was attempting to discourage home ownership. I thought that was very unfortunate, Mr. Speaker. I do not know whether he really meant that. I do not see how anyone can seriously say the government is attempting to discourage home ownership when only two weeks ago in this House the minister responsible for housing introduced a budget for CMHC which increased its funds by $200 million. In this inflationary period, I think the government is doing its best to shift priority to housing, and within that area is attempting to shift priorities from general housing programs to public housing programs.

When a government is dealing with limited amounts of money its real problem is to allocate that money according to proper priorities. We cannot go on suggesting that exemptions be given in many, many areas, which might all be laudable, if we are not also prepared at the same time to suggest methods of making up the losses in revenue.

As I said at the beginning, Mr. Speaker, I think we should implement measures to assist the Canadian people with their housing, but I think that those measures should be implemented through the National Housing Act and not through the Income Tax Act. However, I would support this motion since it only states that the government should give consideration to the proposals contained in it. Perhaps I am wrong. Perhaps the doubts I have raised in this debate are without foundation. Perhaps we can help those on low income by proposing amendments to the Income Tax Act to allow them exemptions such as are suggested here. But while I support the motion, I have a feeling that its adoption would do more to help those who have larger incomes, who have larger homes, and would not really help those who are having difficulty either purchasing their own homes or paying the high rentals in effect today.

Mr. Alexander: On a point of order, Mr. Speaker, I want to go on record as saying that perhaps in my enthusiasm, listening to the hon. member when he began his remarks, I jumped to an unwarranted conclusion and threw in an "Oh, oh." I would like to withdraw that "Oh, oh" because I see that he is in favour of the motion, with certain misgivings.

Mr. Skoberg: On a point of order, Mr. Speaker, would the House allow the hon. member who introduced the motion to clarify the $500 each year, whether it is deducted from the taxable income or the tax?

Mr. Deputy Speaker: Order, please. I am afraid that option is not open to us at this stage.

Mr. F. J. Bigg (Pembina): Mr. Speaker, of late I seem to be on my feet quite often congratulating Liberal members—

Some hon. Members: Hear, hear.

Mr. Bigg: Wait for the break—for taking a personal stand which is often at some variance with the stand taken by the government. Some years ago I suggested it might be a good idea if we had an all-party caucus once a month and cleared some of the items which come up from time to time upon which there is little difference of opinion between well-meaning members of Parliament. I think this is one of those items.

There is hardly a person who does not know that the Canadian homeowner is carrying a terrible burden of double taxation. I know the argument that we have to look after the deep pocket. That is a fine argument in a socialist minded country, but it is not the only answer. There is some such thing as equity. Just because a person has made a few honest dollars I do not think governments at any level, municipal, provincial or federal, have any God given right to take all that money.

Half of the letters I get these days are about taxes. I would say that every third letter I get concerns the high taxes on private property. I am glad to see that this motion proposed by the hon. member for Parkdale (Mr. Haidasz) comes right to the point, and covers both home owners and those who rent their accommodation. Rents are exorbitantly high for the middle and lower income Canadian, who is told by his landlord that he, the landlord, faces a crushing burden of taxation. For this reason I wholeheartedly support the motion. I would not be consistent if I did not, because during every budget debate in the last 12 years I have mentioned the crushing burden of double taxation.

We often make comparisons with the situation in the country to the south of us. In the

United States, some relief is given to home owners because their mortgage payments are taken into consideration in calculating income tax. Mortgage interest charges are deductible from taxable income in the United States. I am not particularly touched by the desire of the government to lend people money to build houses, because we know that the current rate of interest is 9 per cent, if not more. A sum of $200 million will not build all the houses we need in Canada, not by any means. The people who need the money the most are not in a position to pay 9 per cent interest on it.

Some 20 years ago I lived in Ottawa. At that time I could have bought any number of lots within commuting distance of Ottawa at anywhere from $200 to $300. Today those lots sell for $4,500. If the Minister of Finance (Mr. Benson) or the Minister of National Revenue (Mr. Côté) are looking for other places to find money I suggest they should heavily tax the land robbers, the people who are buying up farm land around our major cities, and making young people pay $4,000 for 50 foot lots.

At present if you do not have $5,000 in hand to buy a lot you are no longer a Canadian; you have no right to live here. Or you may need to borrow $5,000 at 9 per cent interest just to buy a 50 foot lot. A great many of our young people just starting out cannot afford this, let alone the cost of a $15,000 or $16,000 house on such a lot. What are you going to do when you retire? The 500,000 civil servants in Canada today have no security of tenure. What are they going to do if they have a $5,000 lot and a $15,000 home with all the burdens of increasing taxation.

• (4:20 p.m.)

Only ten years ago I built a home in a village and my taxes were $200 a year; today they are $700. I am not blaming the municipality since everybody is asking for services and the municipalities are carrying a great deal of this cost. When the federal government wants to escape responsibility, after having brought in many socialistic ventures like medicare, they just pass the cost on to the municipalities who find it a crushing burden. Why take the money from the homeowner? Why not go where the big money is being made? Every Canadian has a right to own a home but at the present time faces a crushing burden if he earns $6,000 or $7,000 a year and is trying to raise a family.

There is nothing wrong with the principle of equalization of taxes if everybody gets the same services. In Alberta, however, you pay the same taxes in a village as in a city. For the city dweller, there is the advantage that all the family can live at home while attending school and university while it usually costs the country dweller $3,000 to $5,000 a year to send a child to university in the city.

I want to compliment the member for Parkdale for bringing up this matter. One of the reasons there is such a poor attendance in the House today is that my party has people at the Chateau Laurier working on the white paper. No doubt when the press write their reports it will be said that the Conservative Party is against the white paper and tax reform; that we represent too many of the landed aristocracy of Canada and the multimillionaires. This is nonsense. We represent tax reform on a sensible basis and we believe that taxation in Canada today is inequitable. I think we should come up with an answer and get the money to run the cities, the provinces and the country at the place where exorbitant profits are made, wherever that may be.

Before I get any suggestions from the labour side, I have a message for labour as well. I want them to draw the line somewhere. I attended a labour conference once and all I heard was that they wanted more.

An hon. Member: Shame.

Mr. Bigg: More is not good enough when you are getting enough. I am not afraid of the labour vote. Labour votes for me because I tell them the truth, that every labouring man in Canada is entitled to a good living and entitled to relief from double taxation. That is why I am even agreeing with my so-called political enemies, but my enmity remains inside this House. When I go out I shall compliment the member for Parkdale for taking a maverick stand. If enough members took the same stand we would not be down-graded by governments of all kinds, as we are. I am a maverick in my party, too. I am not afraid of big government, whether it be Conservative, Liberal, CCF, NDP or Social Credit. Give them too much power and they will abuse it.

One thing that alarmed me more than anything else was being told in this chamber that I do not amount to anything. I do not mind that; my skin is thick and my shoulders broad and I am sure I shall take worse criticism before I die. But to say that the seat I fill is not important to the people of Canada

is another thing. I may not be filling it well, but the responsibility to the people of Canada remains where it has been for the last thousand years. This is the only institution I know of that lies between the taxpayers of Canada and greedy governments, call them what you will.

Members today, unfortunately, are only too prone to be yes men to the faceless group behind the government. In the 12 years that I have been here I cannot track them all down, but somewhere somebody seems to be calling the punches and some way we seem to be able to do very little about it. I still think that if every one of the 265 members got up in their places and talked they would prove that the most powerful weapon on earth to get things done is the human tongue.

I suggest that it may be important that we have an all-party caucus. It is not good enough to take the important issues facing this country and hide them in committees or in committee reports which will rest on the table forever. The only way I know that we can be effective is to get somewhere behind closed doors and get things done. We cannot wait 20 years for relief from double taxation and I do not even think that we can wait until we get a consensus in the Chateau Laurier this afternoon. Even if we did get a consensus, there are 70 Conservatives down there and we know that when they come up with their report it will be misinterpreted. Someone will say that we are against this sort of relief. But we know where the crux of the matter lies; we are not taxing the proper people. If it is socialism to say that the fellow who is making the big profit should pay big taxes I will go along with it. But I will not say it is a sin to work or to put your back into the job, and that the fellow who does the work should pay the shot for everybody who does not want to work.

• (4:30 p.m.)

Sooner or later we shall all have to say to the Canadian government that we want fewer white papers and more green paper in each pocket. Canadians want more money left in their pay envelopes after they have payed taxes to all three levels of government. It is our responsibility to tell those attending the federal-provincial conference that all three levels of government are taking more than 50 per cent out of every man's wage dollar. As members of Parliament, members of provincial legislatures or of city councils, we have arrogated unto ourselves the right of spending the taxpayers' money on project A, B, C or D or on this priority or that. I do not think the people of Canada will stand for this much longer. They do not want to see us hiding behind the constitution. We say, "Blame the provinces.". The provinces say, "Blame the federal government", and everybody says, "Blame the municipalities". The cities are here to stay and we must find some rational way of financing them. I hope the provinces are here to stay, because I would not like to see the federal government becoming so strong that provincial rights will not be respected. Believe me, regional disparities will never disappear unless the provinces remain strong and in control of their own affairs.

Mr. Gilbert: Don't talk it out, Jack.

Mr. Bigg: We cannot shrug off our responsibility by blaming someone else.

Mr. Gilbert: Don't talk it out.

Mr. Bigg: No. I will not talk it out. I have just about finished. An examination of these questions is long overdue. We should give homeowners of Canada and those paying rents in Canada immediate relief from double taxation.

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Deputy Speaker: Order, please. It is my duty pursuant to Standing Order 40 to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Winnipeg North Centre (Mr. Knowles)—Social Security—Inquiry as to tabling of white paper; the hon. member for Cape Breton-The Sydneys (Mr. Muir)—Cape Breton Development Corporation—Request by union official for apology by minister; the hon. member for Portneuf (Mr. Godin)—The Canadian Economy—Inflation—Alleviation of fiscal burden.

The hour for consideration of private members' business having expired, pursuant to special order of the House made earlier this day I do now leave the Chair until 8 p.m.

At 4.37 p.m. the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

INVESTMENT COMPANIES

MEASURE RESPECTING FURNISHING OF INFORMATION, LOANS AND INVESTMENTS, TRANSFERS OF SHARES, ETC.

The House resumed from Wednesday, February 11, consideration of the motion of Mr. Gray (for Mr. Benson) that Bill C-179, respecting investment companies, be read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, this is one of those rare parliamentary occasions when the background of the proposed legislation and the circumstances surrounding its introduction are more revealing and important than the terms of the bill itself. Because of this I would like to recall briefly some of the origin of Bill C-179, a pale and bloodless mutation of Bill S-17 which died unlamented at the end of last session.

In its original form as introduced by the government in the other place, the bill was sufficient to have completely altered the economic and political power structure of Canada if it had become law. The original definition of an investment company in that bill, the extraordinary powers invested in the Superintendent of Insurance—a non-elected departmental official—and other features contrary to the spirit of a democratic, free enterprise economy would have given the government more power over the general economy of the country than any Canadian government has ever had in time of peace. If Bill S-17 has passed into law in its original form, it would have affected a larger number of Canadians more directly than any other economic measure with the exception of the budget. Its true intent, I believe, was the socialization and control of investment in Canada.

It will be recalled that members of the other place became so alarmed by the radical changes proposed by this legislation that they took the unprecedented step of bypassing the law officers of Parliament and hiring outside counsel to redraft it. The bill was studied at length and in detail in committee and many expert witnesses were called. It is significant that the Minister of Finance (Mr. Benson) stubbornly declined to appear before the committee to explain the bill about which he spoke freely outside Parliament at the time. Also, the deputy minister of justice was not permitted to appear to explain the complex legal ramifications. Thanks to the alertness and determination of members of the other place, the bill was almost completely shorn of its most objectionable features and was passed on to us. It died, however, when the House of Commons rose to end the session last July. For all practical purposes the bill we are considering today is identical to the version finally accepted by the other place.

I have felt it necessary, Mr. Speaker, to recall these circumstances because I believe the original government concept of taking over a large measure of control of private investment in this country, as reflected in the original Bill S-17, is one piece in a carefully plotted program of all-embracing state control. We see signs of this in other measures the government has brought in or is planning to bring in, such as the amendments already in force to the estate tax system and the proposed tax reforms contained in the white paper.

For that reason, I do not believe this government will be content with passage of the legislation now before us. At a later date we may expect to see either tough amendments to this bill or completely new legislation that seeks to achieve what failed with the emasculation of Bill S-17. I do not believe for a minute that this government will be satisfied with anything less than complete domination of the social and economic life of Canada—overwhelming, centralized, socialist power.

As to the provisions of the bill as it is now before us, there are many points to criticize in varying degree. One of the most important omissions in the bill is that no provision is made to make privileged the information obtained from corporations by government under its terms. Communication of such information, except perhaps in certain very special circumstances, should be absolutely prohibited and penalties for breaching this prohibition should be provided in the bill. Precedents for this are to be found in the existing Statistics Act and in the Corporations and Labour Unions Returns Act.

In addition, there should be a provision that no public servant who during his stint with the government had access to investment companies' confidential information could divulge such information should he leave the

government service for a position outside. The need for this provision is obvious in view of what occurred shortly after Bill S-17 was originally introduced. Mr. A. B. Hockin, the then assistant deputy minister of finance responsible for economic analysis and government finance who was intimately concerned with the passage of Bill S-17, left the public service on January 1 of this year to take a position with a large New York city investment house.

Such a situation would be most unjust and unfair were this bill to pass and a public servant, privy to confidential information obtained unders its provisions, decided to leave to take a position with a company that was a competitor with the others with whom he had been dealing as a representative of government. Any investment company that could lure away the Superintendent of Insurance, with no provision to make information acquired under this bill confidential, would score a great coup. There are many other areas of objection, Mr. Speaker, but many of these have already been dealt with by other speakers. I would simply make it clear that I believe the few areas where correction is indicated for the public good could be adequately taken care of by amendments to existing statutes. I do not think a new piece of legislation is necessary.

What I am chiefly concerned about is the trend, apparent in most of this government's legislation, to encroach more and more on private business and to ever further inhibit private and individual decision and initiative. We are in an era where our economic health and national development depend upon flexibility in commerce and industry and upon the ability of quick business decisions being made in order to adapt to changing circumstances. It seems to me that in legislation such as this we are continually smothering this ability.

• (8:10 p.m.)

The dead weight of bureaucracy is crushing private enterprise. Gradually, the central government is acquiring more and more control in areas it has no legitimate excuse for entering. No doubt legislation such as this will be greeted with unqualified approval by members of the New Democratic Party. After all, the theory behind legislation such as this was taken from their political manual. I hope the Canadian public will wake up and realize that the guiding principles underlying the creation of the so-called just society are socialist principles, and that today's Liberal philosophy aims at realizing the shop-worn socialist dream of rigid, centralized state control of every aspect of life. I shall watch the progress of this bill through committee with considerable interest, Mr. Speaker.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I rise to make a few comments before this bill receives second reading, as I suppose it will. I do so more in sorrow than in anger, though there is good occasion for anger.

First of all, I wish to point out in a related context that when the government talks about the great urgency of its legislative program—the necessity of putting through 74 bills in 73 days—we ought to view these claims with great caution. On Friday, for example, we gave second reading to an amendment to a bill which had been put through the House last June on the basis that it was desperately required. Yet when we came to debate the amendment we discovered that the bill had never been proclaimed.

Today, the Minister without Portfolio (Mr. Gray), a very genial minister—if I hesitated then for a moment, it was not because I do not really consider him to be genial but because I was looking for another adjective to accompany the word—told the House that a bill which had been passed here two months ago, and which had been sent to the other place, would not become operative for the very reasons which we on this side had indicated were valid reasons for opposing it.

We have before us a bill which has had a most extraordinary and chequered career, as my hon. friend from Edmonton West (Mr. Lambert) has pointed out. It was introduced in the other place last year. It was torn to pieces by the members of the other place and almost completely re-written. Then it was introduced in this House for first reading only. Today we find it brought back incorporating most of the changes made by the Senate, together with additional changes. There is no doubt we would have been led to believe that this, too, was an important measure which had to be passed last year. In view of all this, one can readily understand that we on this side are doubtful about the honesty and legitimacy of the government's claims in connection with its legislative program, and we intend to scrutinize closely whatever program is proposed to us.

As my hon. friend from Edmonton West stated, this bill was changed substantially in the Senate and is now introduced in completely different form—

Mr. Deputy Speaker: Order, please. I am sorry to interrupt the hon. member, but I would prefer at least some of the conversations now being held between hon. members to take place behind the curtain. I am finding it difficult to hear the hon. member.

Mr. Baldwin: I thought hon. members were agreeing with what I have to say, Mr. Speaker. It might well be they could agree by voting later as we would wish them to vote. The fact remains that we are considering this evening a measure in line with a trend which has been developing for years, particularly during the present session. I have looked at this measure and I am shocked at the extent to which it would assign to the government extraordinary powers in so many ways.

I checked the bill clause by clause, and without debating the clauses in any way I wish to run down the list in order to substantiate the claim I am making. This is a government which is hungry for power. It secures power in a great many ways, particularly through its legislative program. Your Honour will find that each bill is really little more than a regulatory clause surrounded by other clauses. The one before us is a typical example.

In a dozen or more clauses authority is given to the minister and to the officials of his department to act as their whim might dictate. It is true that general and vague guidelines are laid down, but in the final analysis, with one exception where provision is made for appeal to the Exchequer Court, the minister and his officials are given complete discretion in dealing with these corporations. I do not stand here to defend the investment corporations; I hold no brief for them. I point out, however, that the two companies in respect of which problems arose and large losses were incurred by creditors, shareholders and others, were both provincially-incorporated companies. To my knowledge, no federal investment company has been required to seek assistance because of financial difficulties.

This is not to say, of course, that such a situation could not arise. Indeed, I think it is wise that a government should take precautions to protect those who need to be protected. But when we consider the extraordinary extent to which the government has gone to demand power and authority, we cannot but ask ourselves where it is going and what does it want. For example, clause 2 provides that where a company has borrowed money on the security of its bonds, the money shall be presumed to be borrowed for the purpose of investment within the meaning of the act unless the minister is satisfied to the contrary. The minister is given unrestricted discretion in deciding whether he is satisfied on this point.

I turn now to clause 3(2), which is the clause giving the minister power to grant exemptions. It states that the minister may grant exemption from the application of this act to any investment company if it is satisfied that certain things have been brought about. This discretion is given to the minister to say to a company, "We can take you out of the provisions of the Act," if he is satisfied that such-and-such are the facts. I do not know who will administer this provision. I do not know whether it will be my hon. friend or the Minister of Finance (Mr. Benson). It may be administered by perfectly good and respectable people, but I say there should be no right to give to people involved in political life the uncontrolled power to make these judgments or decisions.

• (8:20 p.m.)

Subclause 3 gives the minister the power to revoke the exemption if he is satisfied of certain conditions. Clause 5 gives the officials of the department, particularly the Superintendent, power to require necessary information and facts. I can understand that there is a need under certain conditions for information to be made available before the provisions of the act are invoked; however, when one reads this clause one notes it permits the officials of a minister to call for company information at their uncontrolled discretion or whim.

I say that this adds to the general dangers which are built up in this legislation because of the extent to which the government is clothed with unnecessary powers. The minister is given the right to call upon the company auditors, not only for the information which they are by law compelled to give to the company but for any other particulars which the minister wants at his sole discretion or on the recommendation of the Superintendent. This is a very unusual departure in dealing with companies of this type.

The next clause is a further right on the part of the minister to grant exemptions. Clause 9(4) reads as follows:

> Where any person or group of persons is a substantial shareholder of an investment company and, as a consequence thereof and of the application of this section, certain investments are prohibited for the investment company, the minister may, by

order, on application by the investment company, exempt from such prohibition any particular investment or investments of any particular class, if he is satisfied that the decision of the investment company to make or hold any investment so exempted has not been and is not likely to be influenced in any significant way by that person or group and does not involve in any significant way the interests of that person or group, apart from their interests as a shareholder of the investment company.

That is not the kind of power which should be placed in the hands of an elected politician, no matter who he may be. Hon. members of this House who have sat idly by during discussion of legislation after legislation and have permitted these powers to be given to the government some day will have to answer to the people of Canada.

In clause 15 there is a right given to the minister to prohibit any sale. No sale or disposal of the whole or any part of the undertaking of a sales finance company is of any effect unless and until it has been approved by the minister. This, also, is not the kind of power which should be placed in the hands of an elected politician. I shall not make a suggestion in respect of alternatives here, but it seems to me these are powers and authorities which heretofore have been vested in the courts. It may well be that the reasons are adequate if the government should say that for certain reasons there should be a tribunal established. But a tribunal independent and free of government influence should have the right to make these decisions. It is wrong to leave this power in the hands of the government.

The minister has the sole right to issue certificates of registry and to revoke certificates of registry of companies. Clause 21 (1) reads:

Where, in the opinion of the Superintendent, the financial condition and affairs of an investment company that applies to the minister for a certificate of registry are such that the ability of the company to repay all moneys borrowed by it on the security of its bonds, debentures, notes and other evidences of indebtedness that are then outstanding and to pay all interest thereon is inadequately secured, he shall make a special report to the minister recommending against the issuing of a certificate—

That, then, can be revoked later by the minister. By virtue of clause 22, when it comes to the attention of the Superintendent that there are problems, and the Superintendent believes any of these assets are not satisfactorily accounted for, he may take control of the assets of the company and maintain such control on his own initiative for a period of seven days or, with the concurrence of the minister, for any longer period the minister considers necessary in the circumstances. From this decision of the minister there is an appeal to the Exchequer Court.

Clause 29 provides that the minister may under regulations and conditions approved by the Governor in Council authorize advances to the Canada Deposit Insurance Corporation. These advances may be up to $200 million. Finally there is the usual compendious clause, clause 32 which reads as follows:

The Governor in Council may make regulations to ensure the proper carrying out of the provisions of this act.

I think that clause is improperly drafted. Who is to judge what is the proper carrying out of the provisions of the act? I think the committee which dealt with the matter of statutory instruments suggested a form of wording, and these certainly are not its words. The minister should give consideration to changing this clause to read; "The Governor in Council may make regulations to ensure the carrying out of the provisions of the act". I think the "proper carrying out" is something which should be left to the discretion of the cabinet.

I have probably covered as many as 25 subclauses in the bill where discretion and control is passed to an elected official of the government. I think it is completely wrong that this bill, like all other bills dealing with companies, corporations and financial institutions, should be so framed. There is a case to be made for security and for certain precautions to be taken, but I strongly suggest the people of this country would feel a good deal happier if this were done by and the decision left in the hands of a tribunal independent of elected officials.

The power of the minister to do many of the things proposed in this bill at a time when an election is approaching is, I suggest, a power which we in this House should regard with apprehension. I have mentioned this matter on other occasions. I do not know what effect my continuous repetition will have on the government—very little, probably—but nevertheless it is my intention to make a continuous case of my assertion that this is an unnatural and improper power which the government does not really need to carry out the objectives in this legislation. That point should be brought to the attention of the public.

• (8:30 p.m.)

The only other comment I want to make is that I have very grave doubts about the

necessity of making $200 million available. I do not see why the taxpayers of this country should have to establish a kitty for any company which is in difficulties. I agree with my friend, the hon. member for Edmonton West, and I would go a little further. There is a case to be made for reviewing the provisions contained in the Porter Royal Commission which pointed out that the way to deal with problems of this kind was to invoke the right to bring the so-called near banks under federal jurisdictions and make them subject to the provisions of certain of the precautionary legislation; and, of course, also make them eligible under the provisions of the Canada Deposit Insurance Corporation Act.

I think this would be far better than leaving in the hands of the minister and the Superintendent of Insurance the right to pay amounts up to an aggregate of $200 million in order to bail out corporations which may be in trouble. I think it would be much better to establish those corporations as near banks, characterized in that way, thereby giving them the protection which is available. As to provincial institutions, they could by application, if their assets and financial statements are such as to make them eligible, take advantage of the same provisions.

For this reason I am very dubious about parts of the legislation. I hope the committee will scrutinize it with care. Having in mind our experience in the past, I trust that the points I have mentioned will be the subject of discussion by the committee. I assume the bill will be given second reading tonight and will go to the committee. I hope that when the committee has finished its examination, it will have spent some time in considering these aspects of the measure.

Mr. Deputy Speaker: Order, please. I must remind the House that if the minister speaks now he will close the debate.

Hon. Herb Gray (Minister without Portfolio): Mr. Speaker, I think that hon. members opposite would like me to take a few minutes at least to respond to some of the comments they have made.

The hon. member for Edmonton West (Mr. Lambert) raised a question regarding the authority given in clause 15 of the bill, as did the hon. member for Peace River (Mr. Baldwin). As the House will recall, this clause specifies that no sale or disposal of the whole or any part of the undertaking of a sales finance company is of any effect unless and until it has been approved by the minister.

[Mr. Baldwin.]

The hon. member for Edmonton West expressed concern that this requirement might cause delay in implementing any purchase or sale. He thought it was reasonable with respect to the sale of the entire business of the company because he recognized that it would be tantamount to selling control of it. But he appeared to be objecting to the fact that ministerial approval would be required for the sale of even a small part of a sales finance company which would be under the jurisdiction of this act.

Let us remember that the purpose of the clause is to prevent the sale or control of a Canadian sales finance company to non-residents. It was considered that if the way were open to sell the business, little would be accomplished simply by controlling the sale of shares of the company. As I have said, this provision has also been criticized by the hon. member for Peace River. He suggested that this is a new and unusual form of power to give to the government or to one of its ministers.

I would point out to the House that there are precedents for this requirement in the Canadian and British Insurance Companies Act, the Loan Companies Act and the Trust Companies Act. Under these acts, the sale of all or part of the business of a company under their provisions requires governmental approval. At present it is the approval of the Treasury Board that is required, but amendments to these acts propose that this be transferred to the appropriate minister, recognizing the change in responsibility of the Treasury Board in recent years. I am informed that no difficulty has arisen in the past concerning delays in obtaining approval from the government for the sale of all or part of the assets of companies coming under the Canadian and British Insurance Companies Act, the Loan Companies Act and the Trust Companies Act.

The hon. member for Edmonton West also raised a rather interesting point about the provision in the bill before us giving the Canada Deposit Insurance Corporation authority to make loans for short-term liquidity purposes as a lender-of-last-resort to Canadian sales finance companies. The hon. member referred to clause 27(3) on page 36 of the bill. He noted that the Superintendent of Insurance is required to report to the minister on the administration of the act, and he also remarked that the Canada Deposit Insurance Corporation is required to report to the Superintendent on the activities of the corporation

pursuant to this act. He went on to assume that there would be no other report concerning the activities of the corporation. However, clause 27(3) specifies that the report of the CDIC is submitted to the Superintendent "for incorporation by the Superintendent in his report to the minister under subsection (1)".

The hon. member for Dauphin (Mr. Ritchie) made some rather sweeping assertions, as did the hon. member for Peace River, with respect to the purpose of the original bill, and for that matter the purpose of the bill presently before us. I would point out that both the original bill that was before the other place, and this bill, would have covered only companies coming under federal legislative jurisdiction. Neither bill, therefore, would have had the effect of permitting the government, as I think the hon. member for Dauphin suggested, to take over all investment in the country, since obviously there are many companies the activities of which would fall within the definition of "investment company" under the bill before us which would remain under provincial jurisdiction.

Let us remember that the purpose of this legislation is to ensure the greater protection of investors in companies of this type that come under federal jurisdiction, and to protect the public generally from the bad effects that would come about if one of these companies should collapse, as has happened to several companies under provincial jurisdiction. Certainly the purpose of the legislation in protecting investors would also mean the preservation of their investments. Therefore, I suggest that it is not a sound argument, which the hon. member for Dauphin attempted to put forward, that this legislation in some way would threaten the system of private property in this country. It seems to me that the effect of this legislation is just the opposite, to create conditions which would help preserve institutions of private property and investment in Canada.

The hon. member for Dauphin suggested that there might be the possibility for officials to make improper use of information which they obtained in administering this legislation. If I am not mistaken, officials are already bound by oath under other legislation which would prevent their making use, either while officials or after they leave government employ, of any information they obtain while in the service of the government. The hon. member for Dauphin made reference to a gentleman who was a very capable and respected civil servant who, some months after leaving government service, went into another position with an investment firm.

• (8:40 p.m.)

I am sure that his reputation for integrity is such that aside from the requirements of his oath there could be no problem about the way he would deal with any information he might have obtained if this legislation had been in effect when he was a government employee. If I am not mistaken, Mr. Speaker, a previous Superintendent of Insurance after leaving the employ of the federal government went on to become an executive of a large insurance company, and there was no suggestion that he was in a position to do something that was not appropriate. In fact he is a gentleman who continues to have a high reputation in the insurance industry generally.

If I am not mistaken, in the United States similar legislation has in fact existed for many years, and as far as I am aware it has not hampered investment or business activity. On the contrary, it has helped because it has provided a basis of security and safety and encouraged the creation and maintenance of a climate which in general encouraged the making of investments. I would suggest that if we have similar legislation in Canada, at least so far as the companies under federal jurisdiction are concerned, it would help to continue an appropriate climate of confidence in them that would encourage rather than harm investment.

If I might say so, Mr. Speaker, legislation of this type prevents people from misusing opportunities that may come to them through the existence of a market economy, and helps strengthen the existence of such an economy in the interests of the public generally. The hon. member for Peace River went on to review certain clauses of the bill in an attempt to show that they gave unwarranted power to the minister and the officials. But after referring to certain clauses he weakened his argument somewhat when he discovered that in fact there was the right of appeal, at least with respect to certain of them.

Mr. Baldwin: Just one.

Mr. Gray: Several of them, I think, not just one. I would like to point out to the hon. member and the House, Mr. Speaker, that if I am not mistaken authority of the type which he complained about is found in legislation governing the operations of trust and loan companies, and banks for that matter—legislation that has been on the statute books for

many years—and I do not recall hearing complaints about the abuse of this authority. Instead, there has been generally the highest praise for the Superintendent of Insurance and his department for the way they have carried out their duties. If anything, the call from the public has been to give the Superintendent greater authority to make sure there is not a misuse of assets, or the power to carry on business under these acts in a way that would threaten the investment of shareholders and depositors or cause harm to the public generally.

Mr. Baldwin: It is not the Superintendent who worries me; it is the minister.

Mr. Gray: I would also tell the hon. member that, again if I am not mistaken, with reference to the trust and loan companies legislation, insurance companies legislation and the Bank Act, there is authority given to the minister to make decisions of the very type about which the hon. member is complaining at this point.

The hon. member for Peace River says that no federal company that would come under this legislation fortunately has as yet had the problems that occurred with respect to several companies that are under provincial jurisdiction, and he seems to be putting this forward as an argument against the adoption of legislation of this type. Surely, he and his party are not suggesting that we wait until something happens along the lines of the Prudential Finance collapse before we act in this Parliament? This is a strange argument, but it is the one he seems to be making. I think the public generally, and the depositors in companies of this type, desire us to act and to ensure that nothing like that does happen in future with respect to companies that will come under the legislation that is now before the House.

The hon. member has said that the government will have to account to the people of Canada for proposing such legislation. I suggest, Mr. Speaker, that not only this government but particularly the official opposition will have to account to the people of Canada if there should happen to be the collapse of a company of the type that would come under this bill, and because the attitude of the official opposition impeded the placing of adequate legislation to protect the investors on the statute books of the federal government.

But finally, Mr. Speaker, the hon. member for Peace River was willing to admit there is a case for some type of legislative action. I believe he used the term "a case for security." We suggest that if he is right in this—and he is—the government must have the authority to move quickly to protect depositors and the public generally. I think that those who held certificates in Prudential Finance would have been very happy if the Ontario provincial government had had the legislative authority to move quickly along the lines of the authority proposed in this legislation to protect their interests.

Mr. Speaker, dealing with a further point raised by the hon. member for Peace River, he referred to the authority of the Canada Deposit Insurance Corporation to borrow up to $200 million from the Consolidated Revenue Fund.

Mr. Lambert (Edmonton West): On a point of order, Mr. Speaker, I am sure the minister would not wish to mislead the House but he referred to depositors with respect to sales finance companies. The public buy only certificate from sales finance companies, or they participate in their shares. These are the only two forms of investment that can be made by the public in sales finance companies.

Mr. Gray: Mr. Speaker, I used the term because many people who buy certificates might well feel they are doing something in the form of depositing. But the hon. member's point is well taken. The people who held certificates in Prudential Finance thought they were making a form of deposit for which they had protection. I thank the hon. member for his accurate terminology. People who buy certificates could well feel that they are making a form of deposit guaranteed by the certificates, and I think we should not overlook this aspect. But I do not quarrel with the hon. member's words of precision.

If I may continue, Mr. Speaker, dealing with the power of borrowing of last resort by the Canada Deposit Insurance Corporation, I would like to point out that the figure of $200 million is a maximum figure. We are putting an upward limit on the borrowing that can be made by the Canada Deposit Insurance Corporation. The authority to make use of this power to borrow is spelled out in very precise terms in the legislation, and basically it could be used only under very limited conditions through lending by way of last resort; and if I am not mistaken, it is not the minister—contrary to what has been suggested by the hon. member for Peace River—who has the right to carry out such borrowing.

Mr. Baldwin: On a point of order, Mr. Speaker, I did not say the minister had a right to make provision for the borrowing. It is the minister who under regulations laid down by the Governor in Council gives the money to the corporation.

Mr. Gray: Mr. Speaker, I understood the hon. member to refer to the minister in the terms that I have spoken. If my recollection is not correct, I stand corrected. *Hansard* of course, will speak for itself. But it is basically the Canada Deposit Insurance Corporation that would be borrowing from the Consolidated Revenue Fund and would be making use of these moneys, as a lender-of-last-resort under certain very specific conditions to Canadian-controlled sales finance companies to ensure that they are in no worse position because they remain under Canadian control.

To conclude, Mr. Speaker, as hon. members have said it should be possible to give the clauses of the bill very detailed scrutiny in the finance committee of the House. I certainly hope this will be done. I expect it will be done. As I said earlier during second reading, this bill will fill a gap in the pattern of legislation designed for the supervision and inspection of financial institutions under federal jurisdiction, and will therefore help carry out the obligations of the federal government to protect the interests, not only of those who hold such certificates in them but those who invest in such companies, and the public generally. I therefore ask the support of the House for this measure.

• (8:50 p.m.)

Motion agreed to, bill read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

INCOME TAX

IMPLEMENTATION OF SUPPLEMENTARY AGREEMENT BETWEEN CANADA AND SWEDEN

Hon. Herb Gray (for the Minister of Finance) moved that Bill C-156, to implement a supplementary income tax agreement between Canada and Sweden, be read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

He said: Mr. Speaker, I think the House will expect me to provide some explanation of this bill. Briefly, as its title indicates, the purpose of the bill is to give legislative effect to the recently signed supplementary income tax agreement with Sweden. In substance, the bill is similar to the bills implementing income tax agreements or supplementary income tax agreements between Canada and other countries that have been approved by the House since 1942. Canada now has in force 15 comprehensive income tax agreements, several of which, including the Canada-Sweden income tax agreement, have been amended by supplementary agreements.

The purpose of the present supplementary agreement, which forms the schedule to this bill, is to provide an exemption from Swedish income tax in respect of remuneration paid by a Canadian province to a provincial public servant for services he renders to the province while he is resident in Sweden. This will, in particular, give tax relief to an official of the government of Ontario who has been resident in Sweden but has been taxable by Canada as a deemed resident of Canada pursuant to section 139 of the Income Tax Act.

To ensure a measure of reciprocity, the supplementary agreement provides that a similar exemption will be given by Canada for remuneration paid to officials of political subdivisions of Sweden; but since Sweden has no political subdivision like a province, it also provides that both countries will give an exemption for remuneration paid to officials of local authorities of one of the countries posted to the territory of the other country. The existing agreement provides a reciprocal exemption for the remuneration of officials of the national government of one country serving in the other country.

The amendment proposed by this supplementary agreement would bring the agreement into line on this matter with the terms of most of Canada's other income tax agreements, which contain an exemption for remuneration of provincial officials and, in some cases, for remuneration of officials of local authorities.

The general policy of the government in recent years has been that income tax conventions should not be revised until the tax reform program is nearer to completion. An exemption has been made in this case because the matter is not a major one and the change is unlikely to conflict with decisions of Parliament on tax reform. And we have, of course, been pleased to be able to help provincial administrations in this way with the co-operation of the Swedish government and Parliament.

The supplementary agreement will come into force after it has been given legislative approval in both countries. I understand that such approval has already been given by the Swedish Riksdag. Therefore, Mr. Speaker, I am asking this House to support the bill at this time.

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I have no intention of making any extensive remarks with regard to this bill, except that I think it will not be necessary for it to go to committee. It seems appropriate, therefore, for me to move, as I did the other day, that the motion of the minister be amended by the following words:

That this bill be read a second time and be considered by the committee of the whole.

In fact, the provisions of the bill are so simple that it would be a sheer waste of administrative time to send the bill to committee and have it come back here. Therefore, we are quite prepared to consider the amendment. Whilst I am continuing my remarks, perhaps the wording of the appropriate amendment could be worked out. I am sure all of us in the House are so disposed, and as soon as I have concluded my remarks I will make that amendment.

Mr. Gray: Mr. Speaker, if I might rise on a point of order to respond to the hon. member's suggestion, perhaps the House would grant unanimous consent to having the original motion amended.

Mr. Lambert (Edmonton West): That is what I would do.

Mr. Deputy Speaker: May I intervene at this point. My understanding was that the hon. member for Edmonton West (Mr. Lambert) would make that proposal at the conclusion of his remarks. Perhaps I should ask the House whether there is unanimous consent to so amend the motion. Is it agreed?

Some hon. Members: Agreed.

Amendment (Mr. Lambert, Edmonton West) agreed to.

Mr. Lambert (Edmonton West): Mr. Speaker, I think there is no question that this bill will cover public service pensions and service pensions, and not the old age pension because that does not come into it at all. I think it is quite salutary to have such agreement between the two countries. I would point out, however, that this measure clearly shows up some of the difficulties that will arise upon implementing the proposals in the white paper on taxation.

It has been clearly admitted by a number of officials and by the minister that some proposals hinge on amending tax treaties, particularly with the United States. This very simple amendment to the Canada-Sweden tax agreement will take months to negotiate and process before it comes into law. If Canada is to renegotiate, as the Minister without Portfolio (Mr. Gray) said, 15 or 16 tax treaties with various countries, whose interests are not identical, because Canada proposes to change its tax system, there will be a period when it will be absolutely impossible to forecast the incidence of tax on individuals or corporations in any country involved in a tax treaty with us.

If it is the government's intention to somehow or other complete public hearings and the preparation and enactment of legislation for January 1, 1971, particularly with respect to capital gains, there will be a very long period in which the provisions of tax treaties will override the taxation system and more inequities will be introduced into the system. I merely cite that as an example provided by this bill.

I am sure that the Canadian government and the Swedish government started negotiations with respect to this treaty a considerable time ago, but it still has some distance to go before it becomes law. All I say is, let us not be fooled. In the white paper we will find admissions, particularly with regard to the United States. It will be a long, hard and difficult process to negotiate the changes that Canada will want in the tax treaty, in the event that it is able to enact the legislation proposed in the white paper.

• (9:00 p.m.)

What sort of deal have we there? I suppose it will be confusion more confounded than before. In so far as this bill is concerned, we will have no further observations to make unless, of course, some of my colleagues wish to make personal remarks about Sweden. In any event, I commend the bill to the House and shall later commend it to the committee of the whole.

Mr. John Burton (Regina East): Mr. Speaker, we have no objection to the bill now before us, and no wish to hold up its passage. We agree with the proposition that it be considered in committee of the whole instead of by

the Standing Committee on Finance, Trade and Economic Affairs, which is already loaded down with work.

Motion agreed to, bill read the second time and the House went into committee thereon, Mr. Faulkner in the chair.

On clause 1—*Short title.*

Mr. Burton: Mr. Chairman, I ask the minister to give us details of the specific application of this bill and the reasons for bringing it in at this time. I take it that some special cases must have been in mind when this agreement was concluded, particularly in the circumstances outlined by the hon. member for Edmonton West when the bill was being considered for second reading.

Mr. Gray: Yes, Mr. Chairman, I shall be happy to do that. First may I thank the hon. member for Edmonton West for his very constructive suggestion which led to the decision of this House to consider the bill in committee of the whole and thereby has helped expedite the business of the House in a positive and constructive way.

May I now respond to the question raised by the hon. member who has just spoken. The Ontario Department of Economics and Development asked the Canadian government to do what it could to secure an exemption from Swedish income tax for their trade representative in Stockholm. I am informed that the only feasible way for the Swedish authorities to do this, since the Ontario representative did not have diplomatic status, was to amend the income tax agreement.

The supplementary agreement makes two other changes. The present agreement is one-sided in that Sweden gives an exemption for officials from Canada regardless of their nationality, whereas Canada gives an exemption only if the officials are citizens of Sweden. The supplementary agreement, therefore, will provide a truly reciprocal regime by restricting the exemption given by Sweden to exclude citizens of Sweden and broadening the exemption given by Canada to include citizens of third states.

In other words—perhaps this will explain the point a little more simply—the exemption will in future not apply to remuneration paid by the sending country to citizens of the exempting country, but will apply to remuneration paid to citizens of the sending country and also to any citizens of third states who are employed by the sending country. I should add that the exemption for citizens of third states is required by the Vienna Convention on Diplomatic Relations, which Canada has ratified. I hope these remarks will provide the information which my hon. friend has requested.

Mr. Lambert (Edmonton West): Mr. Chairman, I want to correct a wrong impression. When speaking previously I used the word "pensions". I should have said, "other than pensions". In my speech before second reading I mentioned pensions paid by governments. I should not have referred to pensions because what is involved is merely salaries paid by governments, since income of other kinds is also excluded.

Mr. Skoberg: Mr. Chairman, in this bill we have a perfect example of co-operation between two great nations of the world. I wanted to put that remark on the record.

Mr. Knowles (Winnipeg North Centre): And what is the hon. member's name?

Mr. Skoberg: The minister previously suggested that there are similar agreements with 15 other countries. I am wondering whether there are any exceptions in addition to the ones he referred to in his opening remarks.

Mr. Gray: Mr. Chairman, the 15 agreements I referred to are with the following countries: The United States, the United Kingdom, New Zealand, Australia, Trinidad and Tobago, South Africa, Ireland, France, West Germany, the Netherlands, Sweden, Denmark, Finland, Norway and Japan. I have been informed that a number of these agreements in the past have been amended by supplementary agreement for purposes similar to those which led to this bill being before us. I regret that I do not have the information with me at the moment which would enable me to tell my hon. friend the content of the supplementary agreements, but I would be happy to try to provide this information to him directly, outside the House.

Clause 1 agreed to.

Clauses 2 and 3 agreed to.

Schedule agreed to.

Title agreed to.

Bill reported.

Mr. Deputy Speaker: When shall the said bill be read a third time?

Mr. Knowles (Winnipeg North Centre): By leave, now.

Mr. Deputy Speaker: Is this agreed?

Broadcasting of House of Commons Debates

Some hon. Members: Agreed.

Mr. Gray moved the third reading of the bill.

Motion agreed to and bill read the third time and passed.

HOUSE OF COMMONS

BROADCASTING OF DEBATES BY RADIO AND TELEVISION

The House resumed from Monday, February 2, consideration of the motion of Mr. Macdonald (Rosedale):

That the Standing Committee on Procedure and Organization, in consultation with Mr. Speaker, be directed to study the question of radio and television broadcasting of the proceedings of the House and its committees, including the legal, procedural and technical aspects thereof, and the question of arrangements made for reporters for the electronic media in the Parliament buildings.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I believe I had had the floor for about 30 seconds when this motion was being debated on February 2. Some of my friends are wondering whether I intend to speak for another 39 minutes and 30 seconds. I assure them that I have no such intention.

• (9:10 p.m.)

As I indicated on February 2, the members of this party are happy to support this motion for reference to the Standing Committee on Procedure and Organization of the whole question of radio and television broadcasting of the proceedings of this House, its committees and interviews within this building. As a matter of fact, Mr. Speaker, some of us have supported this idea for a long time. Some of my colleagues who are here at the present time have presented motions in previous sessions for the broadcasting of the proceedings of this House, and some of us have to admit that we were urging that the proceedings of the House be broadcast by radio back in the days before there was television. Therefore, it is good to see this motion, which is in line with views some of us have held for a long time.

There is one particular reference in the motion which I would like to commend in a special way. I refer to the requirement that the Standing Committee on Procedure and Organization, when it deals with this matter, should do so in consultation with Mr. Speaker. I am quite aware of the reasons for the change that was made a few years ago providing for our committee on procedure to be chaired by a member other than Mr. Speaker, but I still think there was merit in the pattern we used to follow in having Mr. Speaker as the chairman of committees on procedure. His presence always produced a certain unifying effect that was not completely there in all the proceedings of our committee in the last session or two. This issue is such an important one that I think it is particularly advisable to have Mr. Speaker meet with the committee, and I am glad that has been included in the motion.

The rationale for considering the broadcasting by radio and television of our proceedings, both of the House and of committees, has been stated a number of times, Mr. Speaker. One hardly needs to repeat it tonight. Let me simply say that although there was a day when there was no *Hansard* record of what went on in the Parliament of Westminster, and although there was a day when the press were not allowed to cover Parliament, the fact of the matter is that those days were superseded and it came to be recognized that the public had a right to know what its Parliament was doing. Surely just as in the past the public had the right to know what Parliament was doing through the medium through which people got their news, namely the press and the printed word, so the public has that right today through the electronic media which are the main ways by which people know what is going on.

Whether we like it or not—and we may as well like it because it is here—we are in an electronic world. People know what is going on, whether it is in the educational, religious, sport, political, international sphere or what have you, and they know it instantaneously by hearing it on radio or seeing it on television. If it is important for the people of Canada to see the Stanley Cup play-offs or Grey Cup game instantly on their television screens, I think Parliament is also important to the people of Canada and they should have the right to hear and see what is being done on their behalf and in their name in this place. Therefore, Mr. Speaker, on behalf of my colleagues I want to register our wholehearted support of the proposal that this matter be studied as set out in the resolution that is now before us.

I would like to emphasize the point that there will be problems and difficulties. They are bound to arise, but that is no reason for our not going ahead with this. As a matter of fact, not only will there be problems to iron out but if, as I believe we will, we get to the

point of broadcasting, for example, the proceedings of this chamber, it will make a real difference in how we perform in this House of Commons. It will probably make a more significant and substantial difference than anything that has yet happened to this House of Commons. I have been here long enough to have seen two physical or mechanical innovations, both of which made a difference in the character of this House.

Mr. Baldwin: Three, if you include the government.

Mr. Knowles (Winnipeg North Centre): I do not regard this government as an innovation. I regard it as a throw-back.

Mr. Baldwin: I meant mechanical.

Mr. Knowles (Winnipeg North Centre): I started to speak on two mechanical innovations that have come into this chamber in my time here. The first of them was the introduction of the loud-speaker or amplifying system that we have in this House. I forget how many years ago it was installed, but when I came here and when the right hon. member for Prince Albert (Mr. Diefenbaker) and the hon. member for Ottawa Centre (Mr. McIlraith) came here, we did not have the amplifying arrangements. We had to get by under our own steam and Mr. Speaker had to hear me even though I sat in the back row pretty near the end of the chamber.

The result of it, Mr. Speaker, was that in those days participation by members in all parts of the House was not as widespread or universal as it became once we got the amplifying system. Those in the back row that could not be heard were far more discouraged than the backbenchers think they are today. Those with weaker voices who could not be heard had to go back to their constituencies and say that they did their work in committees instead of on the floor of the House.

When we got the amplifying system it created a surge of equality. Some of us who could shout and be heard thought we were losing our advantage when the timid people could also be heard. The fact is it was good and produced a change in the House of Commons. It became not just a place where the few down front or the few with loud voices took part; it became a place where everyone could take part on an equal footing.

The second mechanical change was the introduction of our instantaneous translation system. This, too, produced a change in the House. I give credit to the right hon. member for Prince Albert who was Prime Minister at the time this system was introduced. It did far more toward making this chamber a bilingual place than anything else which has been done.

• (9:20 p.m.)

Back in the days before we had instantaneous translation it used to be, as old-timers will remember, that the English version of *Hansard* contained in an appendix at the end the English translation of what had been said in French that day. On many days there was no appendix; no French had been spoken. It was difficult for the French-speaking members to use the French language because they were not immediately understood, so they tended always to use English or not to speak at all. This chamber has been made more broadly representative; it has been made a place in which the two languages are equal because of the introduction of this mechanical arrangement for instantaneous translation.

The point I am making is that these two mechanical innovations have brought about changes in the actual character of the House of Commons. There is no doubt in my mind that if television is brought in it will have the same effect. It may do something for our attendance. I do not think we would be very excited about being on television tonight, with the number of members who are here at this moment—and this is a pretty good attendance for a Monday evening when the business of the day has not been particularly exciting.

Mr. Nowlan: They knew you were going to speak.

Mr. Knowles (Winnipeg North Centre): The hon. member says they did not know I was going to speak.

Mr. Nowlan: They did know.

Mr. Knowles (Winnipeg North Centre): I stand corrected; I am now told they did know. But even this would not provide very good entertainment, the attempt the hon. member for Annapolis Valley (Mr. Nowlan) and I are making to engage in some sort of banter.

I think it will have this effect: if we waste time, if we fool around, if we engage in trivia and nonsense the mail will be terrific; we shall be put in our places far more effectively than at the present time. I think it will be good for Parliament to be seen and to get the reaction of the public. I think it will bring

about a change in the way we perform in Parliament, and that is all to the good. As a matter of fact, it may do something which all of us want to happen: it may put Parliament back into an important place in Canadian life.

There is a lot of talk today about Parliament not being relevant, not being concerned about the people, and it is said the people no longer consider it to be important. Maybe one of the reasons is this: the public sees sports events, panel discussions, events in the international field, church services, wars and tragedies—people see all these things on television but they do not see us. One of my hon. friends says this is the funniest show of all, the best in town. But they do not see us. I suggest that once they do it will put Parliament back into the centre of Canadian life. They may turn us off, but that will be a challenge to us to do something about the kind of performance we give in this chamber.

We have lately made an attempt to reorganize the work of this House so that more of the detailed work is done in committees, leaving this place as a debating forum for the important and major issues. We have moved a long way in this direction by sending virtually all bills to standing committees instead of dealing with them here in committee of the whole. It is true that an exception was made tonight. But it still seems to me that too much unimportant detail is discussed here amid the trappings of this building and this institution. Put in television terms, it would look better if details were dealt with in a small committee room where men and women were working on the particular items before them at the time.

This proposed innovation would involve not only changes in the way in which we perform, in how we speak, in how we look, and all the rest of it—including, perhaps, even the way in which we dress—but it would produce changes in our rules, in particular, changes in the relationship between the House of Commons and its various committees. I am not afraid of this. I hope none of us is afraid of it. Parliament may change so greatly that if Mackenzie King were to come back he would not recognize the place. Some of us may not recognize it as the kind of place it was when we first came here. But it is not important simply to keep things as they are. What is important is that we should make this institution responsive to the needs of the Canadian people. What is important is that it should serve the Canadian people and make them feel there is some affinity, some relationship, some understanding between them and ourselves as their Members of Parliament.

[Mr. Knowles (Winnipeg North Centre).]

Maybe I am being too hopeful; maybe I am reading too much into the possibilities of the use of the electronic media. But we can certainly go a long way. We cannot go downhill any more; we can only go up. I like the idea that if this motion carries, the people are to have the chance to see their Parliament in action and to become more a part of it than at the present time. I therefore have much pleasure in supporting the motion now before the House.

[*Translation*]

Mr. Georges-C. Lachance (Lafontaine): Mr. Speaker, I am very glad tonight to say a few words on this motion of the President of the Privy Council (Mr. Macdonald). I believe that coming from the government, as it does, this motion will certainly bring more rapid results than if it came, say, from a private member of any party.

I certainly think that the Committee on Procedure and Organization, which includes government and opposition members will seriously consider the matter and report to the House which, after considering the report and possibly amending it, will make some excellent recommendations to the government.

Of course, I would like to share the enthusiasm of the hon. member for Winnipeg North Centre (Mr. Knowles) as regards the results this measure might bring. I do not readily see those effects, because several problems arise. This evening, I should like to express my opinion on that subject. As I said, I am in favour of this motion. It is possible to provide the Canadian people with better information while prompting hon. members to make the debates more interesting.

• (9:30 p.m.)

Having said a few words in favour of this motion, I intend to make some comments so that the Committee on Procedure and Organization might become aware of the views of hon. members. In my opinion, it would not be easy to arrange for the television broadcasting of the proceedings of the House.

Mr. Speaker, my remarks may be desultory because I do not want to take too much of the time of the House. Besides I would like to give my colleagues who are concerned about that matter an opportunity to make suggestions.

I believe that some purely technical problems will not be easily dealt with. Indeed, who will choose the speakers on the matters to be discussed? Would all sittings be tele-

vised or only parts of them? Who would do the editing of the debates if not all sittings were televised? Who would decide of the time and the day when such debates would be televised?

In Great Britain, this problem has been widely discussed. No final decision has yet been reached in that connection. I have been told by some hon. members at Westminster that the debates will probably never be televised. Others are more optimistic and hope that part of the discussions will be televised. However, I did not have the opportunity, during my brief stays in London to meet the members who were in favour of the complete television broadcasting of the debates.

As for the broadcasting of the committee proceedings, I would answer in the negative. Instead, we should televise the proceedings of the House of Commons.

I believe it is technically possible to televise some debates of the House. For instance, I can imagine quite well, while a bill on air and water pollution is under consideration, a one hour program in the course of which te minister or his representative, and the leaders of the opposition parties, or their spokesmen, could express their opinions.

I would like to share the optimism shown by the hon. member for Winnipeg North Centre (Mr. Knowles) about the Grey Cup and the Stanley Cup games, but I very much fear that the viewers would not take as much interest in the debates of the House of Commons. I would be agreeable to have, in the course of one week, two periods of televised debates previously recorded in the House at a given time.

On the other hand, I would view with a critical eye the live broadcasting of debates, on account of the high costs involved. As a matter of fact, one channel would have to be set aside for that purpose, since our debates usually go on from 2 p.m. to 10.30 p.m.

In addition, I do not see how we would get the housekeepers interested, in the afternoon, in the broadcasting of the House debates, when other programs are scheduled and when ladies have other things to do. I do not see either who would be interested in watching the House proceedings at 7 p.m.

I think there should be, at least at the beginning, some—

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, would the hon. member allow a question?

Mr. Lachance: Certainly—

Mr. Knowles (Winnipeg North Centre): In English—

[*English*]

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, has the hon. member considered the possibility that just as we now provide *Hansard,* in particular the blues, for the whole day to the press, and the press makes a decision concerning what to publish, maybe we should provide a television tape of the whole day and let the television people decide what to broadcast?

[*Translation*]

Mr. Lachance: Mr. Speaker, it is an interesting suggestion, but I do not think that we should always leave it to reporters to decide what should be televised.

I feel that if tomorrow we televised the Oral Question Period, there would be at least 200 members—the Prime Minister and the other Cabinet members being unable to do so —who would rise to ask questions. Some of these questions would certainly be important and urgent, but I am afraid that, on the other hand, there would be a run for publicity.

In my opinion, it is up to the hon. members to decide what should be telecast, and I will say to the hon. member for Winnipeg North Centre that I do not object in principle to have all debates telecast. After all, it is purely a technical matter of operating costs and publishing.

I think that hon. members would agree to have debates televised were the government to reach that decision, but the spending of some $100 million to telecast all our debates and all the meetings of our committees would surely be criticized.

[*English*]

Mr. Horner: I wonder, Mr. Speaker, if the hon. member would permit another question. He just said he is sure hon. members would agree with him if the government put it forward. I wonder if he would be prepared to declare a free vote on the question and let everybody decide according to their own wishes, rather than having a government motion to this effect.

[*Translation*]

Mr. Knowles (Winnipeg North Centre): Agreed.

Mr. Lachance: Mr. Speaker, it is, of course, an excellent suggestion. I believe that if a free vote was taken in the House, it should be

on this matter, because votes have not always been as free as the members would have liked.

Mr. Horner: Oh! oh!

Mr. Lachance: I have carefully weighed every word. I am afraid members have not always had all the freedom they would have wished for, but that does not mean there has not been any freedom at all.

I am happy the Government has introduced this motion, because it can be passed quicker than if it had been introduced by an ordinary member.

I know that the hon. member for Edmonton West (Mr. Lambert) made a detailed study about this question. He submitted reports. I had the honour to sit on the standing committee on procedure which the hon. member for Winnipeg North Center mentioned earlier and that was presided over by the Speaker of the time.

In my opinion, the debates might be broadcast twice a week at a time when serious people, those who are really interested in the commonwealth would be able to look at those programs which might be scheduled for 11.30 p.m., so that the viewers might choose between more or less interesting moving pictures and the broadcasting of the debates in the House which, that goes without saying, would be given all the appropriate publicity.

Furthermore, after such a program, just like after a hockey or football game, the parliamentary reporters or the representatives of the electronic media could discuss the bill after the spokesmen of the government and of the opposition had set forth their viewpoints. We could even then choose the three stars and select the best speakers.

There is surely some way of rousing the interest of a certain part of the population for public affairs.

• (9:40 p.m.)

[*English*]

Mr. Horner: You have not scored any goals tonight.

[*Translation*]

Mr. Lachance: Mr. Speaker, I have no illusions as to the rating such programs will achieve, for they will certainly never have the rating enjoyed by hockey and football games. They will be information programs rather than public entertainment programs on which the tremendous publicity is subsidized by Canadian taxpayers.

[Mr. Lachance.]

I am not against this practice but one must nevertheless give the facts and recognize that those magnates who own the hockey or football clubs are the ones who get the profits. And even if that is a part of the game of democracy, with which I agree to a certain extent, I suggest that when it comes to informing the public about the nation's business or public affairs, we should be concerned about the cost.

I do not think that we could get sponsors who would be ready to pay large sums of money for the broadcasting of the debates of the House of Commons. We would have to know whether such advertising would be shown. Would it be after the speech made by the head of the government, after that of the leader of the opposition, or after those of the leaders of the various political parties?

With regard to the premises which could be used for the television broadcasting of our proceedings, we must admit that this House has no such facilities. It is possible to set them up. We could easily reduce the size of the public galleries which, sometimes, are not even large enough to accommodate all the people who wish to come in. However, it is possible. I have had the opportunity to visit other more modern parliaments where special rooms have been set up in order to facilitate the television broadcasting of the proceedings.

I am thinking, for instance, of the Parliament in Vienna which is equipped with wonderful broadcasting studios. However, they are not much used because it has been realized that it was not very easy to televise the debates.

In any event, Mr. Speaker, I am in favour of televising our proceedings as an experiment which would become permanent only if all hon. members were willing to co-operate.

I am also in favour of a scientific experiment. I think that we should show Canadians that we observe the proprieties.

The House of Commons is not a theatre, but a place where the representatives of the people gather to express their opinions. They are not bound, however, by the opinions of their constituents.

We have all noticed that the committees sometimes sit at the same time as the House. There are times when we play hosts to delegations, represent the government or the House of Commons at interparliamentary meetings abroad; it is not always possible for us to be present in the House of Commons.

It is not easy to reconcile all interests when, for instance, a certain bill is to be introduced

at a given time. The purpose of televising the debates is not to show how smart we are, or that we are present in the House, but rather to inform the public on what goes on there.

We all know that at a certain time, on such a date, a newscast will be televised on a certain bill to inform the public. This is somewhat similar to when the House of Commons is to be photographed for the pamphlet on the House of Commons: everyone manages to be present.

If the members attach such importance to a mere photograph, how much more enthusiasm they will show if every Monday night, at eight o'clock, by mutual agreement with the leaders of the parties, the proceedings on a bill are televised. This will encourage the members to attend the sittings of the house, and we can then make a better impression on Canadian citizens.

This could also be improved by televising a beautiful political "match," provided of course we give the required facilities to the producers.

We must admit that we do not provide the pressmen with all the necessary facilities, because nowadays, they must observe a rigorous discipline while playing an essential role.

I hope that the committee on procedure and organization will study this problem seriously and that it will soon present a report to the House.

• (9:50 p.m.)

[*English*]

Mr. J. H. Horner (Crowfoot): Mr. Speaker, in the limited time left at my disposal tonight I will endeavour to state why I am opposed to this motion. It was interesting to listen to the previous speaker. He spoke at length on the subject matter of the motion, mainly in opposition to the principle, but from time to time affirmed that he was in favour of the principle. It was nice that he did so, because one could not reach that conclusion listening to him. That is why I asked whether his party would allow a free vote on the matter when it came back to the House, or would allow a free vote with no whips when the subject matter was considered in committee. I doubt it very much, Mr. Speaker. In fact, I would go so far as to say that the members appointed to the committee from all parts of the House will in the main be members who support the idea of televising the proceedings of the House. I am against this principle.

I would like to deal with what the hon. member for Winnipeg North Centre (Mr. Knowles) said. He believes our proceedings must be televised so that the people of Canada will know what parliament is doing. Does he for one minute think that Parliament makes decisions as to how the country is administered? Surely a man of his experience in the House knows better than that. He went on to say that this is a major debating forum. The people of this country want to know where the decisions are made, where their protest letters should be sent, and how best they can get their problems considered. I will deal later with the question of how best they can have their problems dealt with and considered.

The hon. member went on to say that television in this House would significantly change the role of Members of Parliament and would even go so far as to change the dress of members. What is this place: is it a stage on which we are all prepared to act a part? We know some members of the House are already being handed scripts. Are they now to be handed the right coloured tie and shirt, along with the script to read, and act a part? Are they to be told, "This is a speech on wheat. The western farmers are mad. Be sure you act mad"? Are they to be told, "The middle-class will be confronted with a terrible burden because of the white paper on taxation. Be sure you act as if you are concerned and annoyed"? Is that the role of Members of Parliament? Mr. Speaker, we are representatives of the people. If we in this House forget that principle, we can no longer lay claim to the fact that we have representative government.

The hon. member for Winnipeg North Centre went on to say that the same problems were posed when *Hansard* was first introduced. Television in this House would in no way be similar to *Hansard,* for a number of very clear reasons. The written word is far different from watching a picture and seeing the words spoken. The old adage of seeing is believing is still very true in Canada.

Today, because we have been subjected to the written word so much by the newspapers, people have become somewhat sceptical of what they read in the newspapers. Things are quoted out of context, which amounts to misinterpretation. It is said that seeing is believing. *Hansard* records what I say; it does not record how many people listen to me. Television will record how many people listen

to a speech that is being made. It will record the number of supporters in a member's party who are listening to him, and the number of people in the House generally.

If a member is making a very logical plea on behalf of the taxpayers he represents, and he finds that the Minister of Finance (Mr. Benson) is chatting away in the back row and not listening to him, on occasion that may be all right; but if this shows up on television, one quick picture will discredit the whole worth and logic of his argument. I would dwell on other differences between television and *Hansard* if time permitted, but may I call it ten o'clock, Mr. Speaker?

PROCEEDINGS ON ADJOURNMENT MOTION

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

SOCIAL SECURITY—INQUIRY AS TO TABLING OF WHITE PAPER

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, in view of the debate that we have just had, I suppose it is appropriate to remark that we have now reached the time of the late show, for those who are still up and still able to see what there is to see and decide whether or not to believe it. My subject for tonight's late show arises from a question that I asked on Thursday, December 18, as indicated in *Hansard* at page 2130.

• (10:00 p.m.)

May I say at the outset that there are times when a minister or a parliamentary secretary in replying to a late show question complains that the questioner brought forward material that had not been introduced when the original question was asked. I admit there are times when we on the opposition side do expand our questions. But may I draw the attention of the Parliamentary Secretary to the Minister of National Health and Welfare, because I assume he is answering my question tonight, to the fact that when I asked this question on December 18, it had two parts. I hope he can reply tonight to both parts.

The first part of my question had to do with the tabling of the white paper on social security. I urged, indeed, that it be tabled without further delay and expressed the hope that it might be tabled when we came back in January. That, of course, did not happen and we are now in the month of February. I still urge upon the government the early tabling of this white paper on social security but I may say—this is an enlargement of what I said on December 18—that we over here feel we should not only have the white paper on social security but we should be given in public the Willard report which we understand is the basis for the white paper.

I stress the point that in these days when we are being sold the idea of Information Canada and being told that this government wants to give us all the information it can, it just is not in keeping with that stance for us to be refused an important document like the Willard report on social security. Mr. Speaker, if there is anything to this talk of participatory democracy, if there is anything to the idea that the government agrees to the recommendation of the task force on information that all reports should be made public, here is an opportunity to show it. The whole question of social security is a terribly important area, and I submit we are entitled to see the Willard report and to have the government white paper on social security with the least possible delay.

Mr. Speaker, the other part of my question on December 18, was in these words:

> May I again ask the minister whether, in view of the delay in tabling the white paper, the government will consider providing for an interim increase in the old age security pension?

I received no answer to that question on that occasion just as I received no answer two nights before, so I put it again, Mr. Speaker. Everyone knows that our older and retired people are having a most difficult time to keep up with the rising cost of living. They are mentioned every time the subject of inflation comes up—the poor pensioners, the people on fixed incomes. I commend the government for recognizing this need in the case of retired civil servants whose pensions are to be increased in April this year. I submit that this need is real for all our retired people. It does make sense in today's conditions to come through with an increase in the basic amount of the old age pension, and I urge that this be done.

I do not know what the Willard report recommended nor what the white paper on social security will say, but surely these reports do not suggest going back to the means test or passing the buck to the provinces. Surely they confirm that we should

move forward in social security. If we are to move forward, that means an improvement in the pensions of our citizens who are on old age security. If that is the case, why wait for all these white papers and all the machinery we have to go through? Why not bring in now a proposal for an interim increase in the old age security pension? That is the second and the major part of the question I raise at this time, and I hope the parliamentary secretary is in a position to give a hopeful or favourable answer to it tonight.

Mr. Stanley Haidasz (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, at the outset in replying to the hon. member I should like to point out that this government, and especially the Minister of National Health and Welfare (Mr. Munro), have not remained idle in trying to help as much as possible the older citizens of our country. If we look at the estimates for the fiscal year 1970-71 we will see that expenditures under the old age security fund have jumped $143 million, reaching a total of $1.9 billion, which is the highest in our history.

This increase is explained by two main factors. On the one hand there has been the lowering of the required age; consequently, an estimated additional 50,000 people will be benefiting from the basic flat rate and the income supplement. On the other hand, while in the past old age security had no escalation, the fact is that that we now have some escalation in benefits. This escalation has permitted many of our older citizens to benefit.

Finally, I should like to point out to the hon. member that the federal government is prepared to share half the cost of further supplementing the old age security and guaranteed income supplement through the Canada Assistance Plan. At least one of the provinces has recently increased this supplement and brought the total amount of the benefits up to $150 a month. I also wish to add that there is no upper limit to the federal government's contribution through the Canada Assistance Plan; however, the initiative must come from the provinces which also determine the amount of supplement to be paid.

In conclusion, Mr. Speaker, may I emphasize that this government through its Minister of National Health and Welfare is doing all that is possible at the moment to help our old age pensioners while studying the situation and deciding upon its policy, which will be made known through the white paper on social security and which will, I hope, be tabled as soon as possible. I will again bring the matter of the tabling of the Willard report to the attention of the Minister of National Health and Welfare. I hope that on his return from the Indian reserves, the minister will be able to make a decision and announce it to the House.

CAPE BRETON DEVELOPMENT CORPORATION—REQUEST BY UNION OFFICIAL FOR APOLOGY BY MINISTER

Mr. Robert Muir (Cape-Breton-The Sydneys): Mr. Speaker, on January 27, as reported at page 2861 of *Hansard,* I posed a question to the Prime Minister (Mr. Trudeau) with reference to written complaints from the retired coal miners pensioners union at Sydney Mines, signed by their secretary, Mr. Pius Hennessey, regarding the manner in which pre-retirement benefits were being paid by the Cape Breton Development Corporation to former coal mine employees. At that time I asked whether in view of the constant complaints that were being received the Prime Minister would cause an investigation to be carried out into all the ramifications of the subject. The Prime Minister took my question as notice.

On January 29, as reported at page 2963 of *Hansard,* I again brought the subject to the attention of the Prime Minister with reference to an investigation into the whole matter because of further protests from the CB of RT. The Prime Minister did not seem to be aware of the subject, and a hazy reply was received from the Minister of Labour (Mr. Mackasey). As a supplementary, I pointed out that continuing telegrams of protest and other communications were being forwarded to myself and ministers concerned, and I then directed a question to the Minister of Regional Economic Expansion (Mr. Marchand) asking if he would cause an investigation to be made into the whole matter.

The minister replied that he had been in touch with Devco and that no complaints had been made either to Devco or to his department. He went on to say that the union to which I referred was "in fact a small group of superannuated employees which is called a union and which has no connection with the United Mine Workers of America who have made no request in the name of those pensioners." This, of course, is a translation of the minister's words.

Proceedings on Adjournment Motion

I then rose on a point of order and pointed out that the information relayed by the minister was erroneous because I had in my hand a letter of protest from the president of a CB of RT and GW local which represents men who are at present working in the Devco coal mines, namely, mine examiners and shot-firers. This, I understand, is one of many communications of protest which have been forwarded. Despite the fact that in my point of order I advised that it was a local union from the CB of RT, the minister did not comment. Had he done so, sir, we should not be debating the matter tonight.

On February 11, as reported at page 3484 of *Hansard*, I asked the minister if he had received a communication from the general representative of the CB of RT and GW in Cape Breton, Mr. Gilbert MacIntyre, taking exception to a recent statement the minister made in the House regarding this union and asking for an official apology. The minister replied to the effect that he had received such a letter and that its contents were based on false assumptions. The exchange in the House to which I referred took place on January 29. That is when I referred to the letter of protest from the local union of the CB of RT and GW, not January 27 as stated by the minister on February 11 as reported in *Hansard*.

• (10:10 p.m.)

To clarify the situation I would like to read a copy of the letter which was forwarded to the minister, dated February 5, signed by Mr. Gilbert MacIntyre, general representative of the Canadian Brotherhood of Railway, Transport and General Workers. He states:

Honourable Sir:

The January 29th 1970 issue of *Hansard*, page 2964, records your part in a debate concerning benefits paid retired coal miners by the Cape Breton Development Corporation (Devco).

In reply to a question from Mr. Robert Muir (Cape Breton-Sydneys, you stated: "I got in touch with Devco, no complaint was made either to Devco or to my department. The Union to which the hon. member is referring is, in fact, a small group of superannuated employees, which is 'called a union' and which has no connection with the United Mine Workers of America who have made no request in the name of these pensioners."

Honourable sir, it appears that you have been grossly misinformed on several counts. For your information and for the record, the following comments are "matter of fact."

(1) The so-called "union" you refer to is local 510 (salaried shot-firers and examiners) of the Canadian Brotherhood of Railway, Transport and General Workers. Certified by the N.S. Labour Relations Board in 1962 subsequently covered by section 35 of federal Bill C-135.

[Mr. Muir (Cape Breton-The Sydneys).]

(2) Local 510 of brotherhood, as well as local 504 (clerical staff with Devco) and local 509 (technicians with Devco), as well as our C.B. District Council of CB of RT & GW and the Cape Breton Labour Council have on a number of occasions complained about the compulsory aspect of the pre-retirement plan.

(3) CB of RT & GW, as well as other Nova Scotia labour bodies (with the noted exception of the UMW of A., district 26) have complained concerning the mandatory act of forcing men on the street at a considerable loss of income. We, to date, believe that the decision of accepting the Devco pre-retirement plan should be purely voluntary on behalf of the individual affected.

(4) There have been numerous letters and wires concerning these protests, which should be on file.

In view of what appears to be you being misinformed on this matter, I believe it not unreasonable to expect an official apology from yourself to local 510 (salaried shot-firers and examiners) for an obvious rebuff of their proud union status.

Also it is our intention to continue to press for the elimination of the compulsory aspect of the Devco pre-retirement plan, for we find it as a "minimum benefit, providing maximum poverty."

Yours very truly,

Gilbert MacIntyre
General Representative
CB of RT & GW

In conclusion, I feel that in view of the circumstances the minister certainly owes this union an official apology. Here again, I appeal to the minister to have a complete investigation carried out in regard to the method and circumstances surrounding the payment of pre-retirement benefits, with particular reference to the use of unemployment insurance funds and the compulsory aspect of the pre-retirement plan. I have asked this of the Prime Minister, the Minister of Labour and this minister, and I feel it is the only way it can be clarified. Not only does the minister owe the CB of RT an apology, but also the retired coal miners pensioners union at Sydney Mines about whom he has spoken in a derogatory manner.

[*Translation*]

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, I believe this House is the ideal place to seek clarification of problems, but stating false problems and merely seeking to spin out words or just speculating on what has been said can serve no useful purpose.

What then is the problem the honourable member raised in the House? A very simple

one. On January 27—not January 29—he directed the following question to the Right Honourable Prime Minister:

[*English*]

Mr. Speaker, I have a question for the first minister. Has the right hon. gentleman received a written complaint from the retired coal miners pensioners union at Sydney Mines regarding the manner in which benefits are being paid?

[*Translation*]

He was quite sincere when he put that question. All right. And then on the 29th, referring to the same question, he said, and I quote:

[*English*]

Mr. Speaker, my question is for the right hon. Prime Minister and concerns the method used by the Cape Breton Development Corporation to compensate retired coal miners. Further to the question posed to the Prime Minister on Tuesday of this week—

That would be the 27th.

—asking for an investigation into the whole matter in view of the continuing protests from the unions concerned and in view of the fact that the Prime Minister took my question as notice—

So the hon. gentleman was referring to the question he posed on the 27th concerning the retired coal miners.

Mr. Muir (Cape Breton-The Sydneys): Read on. The next page.

Mr. Marchand (Langelier): I can read on if you wish.

Mr. Muir (Cape Breton-The Sydneys): Page 2964.

Mr. Marchand (Langelier): It goes on:

—in view of the continuing protests from the unions concerned and in view of the fact that the Prime Minister took my question as notice, may I ask the right hon. gentleman if he is in a position to shed any further light on this subject?

Does the hon. member wish me to read on further?

Mr. Muir (Cape Breton-The Sydneys): On a point of order, Mr. Speaker. If the minister would look, he would find that on the next page I referred to the local union of the CB of RT, and the minister did not reply.

Mr. Marchand (Langelier): I did not reply. How then, could I have referred to local 510, if I did not reply? This is the whole point at issue. I did not reply to that. I was referring to this union of retired pensioners, that is all.

Mr. Muir (Cape Breton-The Sydneys): Continued telegrams and communications!

[*Translation*]

Mr. Marchand (Langelier): Now, Mr. Speaker, the other union was never referred to, that is local unit 510. It was rather the retired employees union that was mentioned—

Mr. Speaker: Order. The hon. member for Portneuf.

[*English*]

Mr. Marchand (Langelier): You lose your time. You lose everybody's time for no purpose at all.

Mr. Muir (Cape Breton-The Sydneys): You are too hotheaded. Why don't you grow up?

The Acting Speaker (Mr. Béchard): Order, please. The hon. member for Portneuf has the floor.

Mr. Muir (Cape Breton-The Sydneys): Be careful of your blood-pressure.

The Acting Speaker (Mr. Béchard): The hon. member for Portneuf.

THE CANADIAN ECONOMY—INFLATION—ALLEVIATION OF FISCAL BURDEN

Mr. Roland Godin (Portneuf): Mr. Speaker, on Friday, February 13th I asked the following question: In view of the recent reduction in the so-called "Vietnamese" tax by the government of the United States for the purpose of assisting consumers in the present economic recession, could the Right Hon. Prime Minister tell us if he intends taking similar action?

[*Translation*]

If so, for which tax can the Canadians expect a reduction?

The Prime Minister (Mr. Trudeau) said not a word. However, in the light of a statement he made on Monday the 9th of February, to launch the national conference on price stabilization, I think we might get an affirmative answer in a few minutes.

In the few moments I have left, I shall say to the Prime Minister that while he tried to hoodwink Canadians, the results have run counter to his expectations. Indeed, the people are not asleep. They are more awaken than

ever. Faced with the high cost of living, they live in anxiety and in the expectation of positive results from this administration.

• (10:20 p.m.)

How can inflation be created without the administrators being aware of it? Of what use have been the royal commissions and task forces set up since 1960? Have not two inquiries been ordered in 1961, one on health and the other on taxation? In 1962, an inquiry was caused to be conducted on banking and finance and in 1963, another on biculturalism and bilingualism.

In 1964, the first report of the Economic Council of Canada was tabled in the House. Did it not deal with the economic outlooks for Canada for the period ending in 1970?

Since 1965, of what use have been the reports of the Tariff Board?

Since 1966, what steps have been taken following the report of the joint special committee of the Senate and the House of Commons on consumer credit?

Since 1967, what advantages have consumers derived from the establishment of the Department of Consumer and Corporate Affairs?

In 1968, were not the elections to cure our economic difficulties? And you remember that economic problems were but the result of the administration of a minority government while a majority government would have been necessary to restore the balance. Where is this balance that this government was going to bring us?

What will bring us, in 1970, the Prices and Incomes Commission which was created in 1969? Will it explain why the people have to tighten their belts while the Prime Minister is increasing his allowance? In view of the fact that the Prime Minister has already covered the distance between Montreal and James Bay on foot and by canoe, will the Commission recommend to him not to use government airplanes any more?

Will the Prices and Incomes Commission reveal that it is the increase of taxes of all sorts which is mainly responsible for pushing the cost of living up? Will it tell the government that it is useless to count on the co-operation of workers from small businesses with a low income and that it cannot rely on the co-operation of labour unions to check the increase in the cost of living, since in heavy industry where there are unions the salaries they have succeeded in obtaining for the employees represent but 6 per cent of the finished product?

[Mr. Godin.]

Will the Commission make the government understand that the farmers are very badly paid, whether for their dairy products or for their wheat?

Will the Commission take into account that the grocer, the wholesaler, the milkman work for fractions of a cent, and that on each $19 purchase of cigarettes the value of work and tobacco represent but $3 and $16 are for taxes?

Will the Prices and Incomes Commission make known to the population that without taxes, gas would sell at 4 cents a gallon?

Will the members of the Prices and Incomes Commission be honest enough to admit that they are dealing with imaginary bandits and that the thieves are not those they are asked to find?

Since under the present system the Canadian government gets the largest share of the profits, can we expect an income tax reduction shortly? In January, the American government reduced by 5 per cent its so-called Viet Nam tax and will reduce it by a further 5 per cent in June. Can we expect something similar from the Canadian government, since the Prime Minister stated on February 9, and I quote:

> Control of inflation is a challenge for Canada as well as for our neighbours and our competitors. We cannot afford to do less than they are doing.

In order to do as well as the Americans, on what items of the fiscal revenues will the next reductions be applied? Will they be applied to estate taxes, the excise tax, the 12 per cent sales tax or the personal income tax? Will the reductions be applied to the 4 per cent personal income tax, or the 3 per cent one or on the so-called social development tax of 2 per cent, or again on the 11 per cent sales tax on building materials?

Mr. Speaker, questions are asked every time new taxes are levied and all Canadians are entitled to an answer.

Hon. Herb Gray (Minister without Portfolio): Mr. Speaker, the government wants to help consumers and all Canadians. That is why they are engaged in a close fight in order to check inflation, which hurts everybody, especially low-income Canadians.

This afternoon, I made a statement in which I said that the government had decided to postpone until 1971 the proclamation of a new tax on air fares, which was passed by Parliament last fall.

But as the hon. member knows, we have in general a parliamentary system under which the government states its new proposals only in a budget speech made in the House. But as we know, the Minister of Finance (Mr. Benson) has already said he would make such a speech in the near future.

It is with the co-operation of all economic areas of this country more than in any other way that we shall succeed in our fight against inflation.

[*English*]

Motion agreed to and the House adjourned at 10.30 p.m.

HOUSE OF COMMONS

Tuesday, February 17, 1970

The House met at 2 p.m.

ROUTINE PROCEEDINGS

[*Translation*]

COMMITTEES OF THE HOUSE

FINANCE, TRADE AND ECONOMIC AFFAIRS

Thirteenth and fourteenth reports of Standing Committee on Finance, Trade and Economic Affairs, in French and in English—Mr. Clermont.

[*English*]

AGRICULTURE

First report of the Standing Committee on Agriculture—Mr. Beer.

[*Editor's Note: For text of above reports, see today's Votes and Proceedings.*]

[*Translation*]

PRIVILEGE

MR. FORTIN—OBJECTION TO PRESENTATION OF FIRST REPORT OF STANDING COMMITTEE ON AGRICULTURE

Mr. Fortin: Mr. Speaker, I rise on a question of privilege concerning the tabling of the report of the Standing Committee on Agriculture, whose study dealt exclusively with the dairy policy.

This committee had been given its terms of reference on December 18, 1969, under a motion moved by the Minister of Agriculture (Mr. Olson) which was recorded in *Hansard* on the same day.

I then expressed my opposition in no uncertain terms. Hon. members will also recall that the Minister of Agriculture had asked for unanimous consent by the House to refer the essential aspects of the question to the agriculture committee.

Here is what I said, and I quote:

> We are ready to accept the motion of the Minister of Agriculture. However, there is a point which remains to be cleared up before we give our approval, and that is whether the report on the study on the dairy industry made by the committee on agriculture during May and June last will be tabled in the House and whether it has anything to do with the minister's motion.

Mr. Speaker, I then stated my position unequivocally, as follows:

> If it is two different matters, we cannot give our approval—

The unanimous consent of the House was then sought.

> —but if, on the other hand, it is a report on that study, we will gladly give our consent.

That was my position. Mr. Speaker, I contend that the first report of the Standing Committee on Agriculture cannot be tabled in the House as long as the committee has not satisfied the *sine qua non* condition I had set namely, that it state its position with regard to the report on the special study made on the same matter in May and June last in Eastern Canada and which was rather costly. Mr. Speaker, this is actually the truth, and you will understand why there has been a breach of our privileges.

The special study conducted by the Committee on Agriculture during a special trip of committee members, has never been reported to the House. Why? Because, the findings of that study are at variance with the dairy policy of this government. This is also why the government members who sat on that committee have never made any effort to urge the Committee on Agriculture to submit its report. Nevertheless, that trip entailed some public expenditures. Indeed, it lasted almost 15 days. The committee had been asked to consider substantially the same matter than that the one referred to it, pursuant to the motion introduced on December 18 last.

● (2:10 p.m.)

Mr. Speaker, I then said that if that was a related study to be conducted within the framework of this study, we would support the motion for unanimous agreement, but that, on the other hand, if those were two separate matters, we would not endorse it for the following reasons.

First of all, it was another proof that government members were trying very hard to use their majority not only to control the proceedings, but even their contents. Secondly, it meant double expenditures of public funds, which is reckless spending. Finally, had I agreed to the request for unanimous consent, the report of the journey made by the Standing Committee on Agriculture

would have never been published, because its recommendations could not but blame the government.

In fact, I agreed to it on the express understanding that the findings of both special studies would be recorded in the same report. But the minister did not want to reply, claiming he would rather avoid a debate—needless to say—and he left it to the committee.

Again I refer to page 2118 of *Hansard*. At the end of my remarks, one can read the following and I quote:

We lay down a stipulation.

Since our stipulation was not met and the committee in its study did not take into account the conclusions reached in another study, subsequent to a special trip concerning the matter, I submit that this report cannot be tabled because we had not given unanimous consent.

If I were not now rising on a question of privilege, that would amount to contradicting myself. I put the matter to the House, in the hope of finding understanding and co-operation, for an essential standing order is at stake, the need to have unanimous consent to refer a question to a committee.

Mr. Speaker, since we have not given unanimous consent and the committee has not indicated its position on this matter, as was suggested by the minister himself on December 18, I move the following:

That the report of the Committee on Agriculture submitted to the House in accordance with a motion to that effect on December 18, 1969, not be concurred in but be referred to the Committee so that the latter may add, as an appendix to the report, the findings and recommendations of the special study made in May and June last, pursuant to an order of the House.

I am also sending you a photostat copy of *Hansard* for your information.

Mr. Speaker: Order. The hon. member has kindly informed me of his intention to rise on a question of privilege. He has done so in accordance with the Standing Orders, thus enabling me to study during the few minutes at my disposal, the very interesting point that he has raised.

Basically, the hon. member for Lotbinière suggests that a committee has looked into a matter subject to a condition that he had stipulated himself. He now suggests that the condition was not fulfilled and, in consequence, he asks the Chair not to accept the report that has just been submitted to the House.

[Mr. Fortin.]

The hon. member will understand that it is quite difficult for the Chair to study all the reports laid before the House in order to determine whether the stipulations laid down for their consideration have been complied with. I doubt very much that this is a question of privilege. I rather think that the hon. member has aired in the House a grievance which, in my opinion, is serious.

I recall very well the circumstances under which the motion to which the hon. member for Lotbinière has referred was made and I also remember that he had given his approval, subject to that stipulation.

He now says that it has not been complied with. I doubt very much that even in such serious circumstances it is possible for me to reject the report just brought before the House.

May I suggest to the hon. member that the point he now raises could be put forward when the motion for concurrence of the report is moved in due course.

I deem it necessary to draw the attention of the member for Lotbinière to citation 318(2) in Beauchesne's Parliamentary Rules and Forms, fourth edition, which reads as follows:

It is the opinion of the committee, as a committee, not that of the individual members, which is required by the House, and, failing unanimity, the conclusions agreed to by the majority are the conclusions of the committee.

And further on:

If a member disagrees to certain paragraphs in the report, or to the entire report, he can record his disapproval by dividing the committee against those paragraphs to which he objects, or against the entire report, as the circumstances of the case require; and can put on record his observations and conclusions, as opposed to those of the majority, by proposing an alternative draft report or moving an amendment to the question for reading the draft report a second time.

Paragraph (3) of the same citation reads as follows, and I quote:

A member will not be permitted in presenting a report to make any remarks on the subject-matter; he can only properly do so on a motion in reference to the report.

In other words, the objection raised by the hon. member deals with the substance, and in my opinion, should be considered when the motion for concurrence in the report comes before the House.

The hon. member has raised an interesting point which I shall consider with sympathy during the next few days. But, I may possibly err in ruling at this time, that there

is no question of privilege. The point is very serious, and I have come to the conclusion having taken all circumstances into account, that it is a grievance rather than a question of privilege. This grievance could be presented by the hon. member when the House is considering the motion for concurrence in the committee's report.

Mr. Fortin: Mr. Speaker, I have listened to your kind remarks with great interest.

However, I wish to point out to you that this is precisely the point. If the House agrees today that the committee's report be presented, this will mean that we—

Mr. Speaker: Order, please. I want to assure the hon. member for Lotbinière that I understand perfectly the point he is raising as well as its importance. But having considered all the aspects of the question—and I had this opportunity for a few moments before the opening of the sitting—I had to arrive at this conclusion. I said so to the hon. member. I may not have considered all the aspects of the question. In the next days, I intend to look further into the matter. But, for the moment at least, I must arrive at the conclusion that the question of privilege cannot be raised. It could possibly be when the motion for concurrence in the report is introduced but, there again, I cannot assure the hon. member that his question of privilege will then be deemed in order. In the light of the circumstances, it would be preferable to abide by the ruling I have just made.

Mr. Fortin: Mr. Speaker, I rise on a point of order. I brought a motion before the House and I should like to know whether it has been ruled out of order.

Mr. Speaker: Order. The hon. member must realize that the motion can only be introduced if the Chair recognizes that the question of privilege is well taken. If the Chair feels that there is no question of privilege, the motion cannot be introduced.

[*English*]

TRANSPORT

TABLING OF STATEMENT ON CHANGES IN DEPARTMENTAL ROLE AND STRUCTURE

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, pursuant to Standing Order 41 (2) I am now tabling in the two official languages a statement on the changes to be made in the role and structure of the federal transport portfolio.

Mr. J. H. Horner (Crowfoot): Mr. Speaker, I rise on a question of privilege. This is the first opportunity I have had of bringing up the point. The Minister of Transport has just tabled a statement on the changing role and direction of the Department of Transport. As I understand it, he issued a press release on the subject this morning and went on television and told the nation about these changes. If we in this House are to be responsible to our constituents, then we must make sure that the cabinet, the executive branch of government, is responsible to the elected representatives of the people.

Some hon. Members: Hear, hear.

Mr. Horner: The House ought to be made aware of the devious manner in which the government is destroying the worth of Parliament. For the minister to make a statement outside the House about a vital matter before informing the elected representatives of the people is, I submit, wrong in principle. I wish to bring to the attention of the House and the country the fact that the government, by acting in this way, is slowly eroding and destroying the very principles upon which our parliamentary democracy is founded.

Mr. Speaker: Order, please. The point raised by the hon. member for Crowfoot has been raised on previous occasions by other hon. members.

Mr. Horner: Not often enough.

Mr. Speaker: The hon. member says "not often enough". I am not sure that I agree with that statement. In any event, the point has been raised in a very serious way from time to time by other hon. members. It is a matter of interest whether there is a point of order or a legitimate question of privilege as to whether hon. members of the House have the right to receive information from ministers prior to statements being made outside the House. That is the very point raised by the hon. member.

I recognize that the point is well taken. The point has often been raised in the past, not only in the last two or three years that I have been associated with the Speakership but on many occasions in previous years, that statements have been made outside the House which perhaps ought to have been made in the House. I am not expressing an opinion. There is a long series of decisions in the jurisprudence dealing with the matter raised

by the hon. member for Crowfoot. A very similar point was raised by the hon. member for Sainte-Marie the other day.

On the basis of the jurisprudence and previous decisions, the Chair has had to come to the conclusion that the matter should not be put to the House as a question of privilege. This being so and particularly since there is no motion and in view, as I said, of the precedents in the matter, I would not think that this matter should give rise to a debate.

• (2:20 p.m.)

The Minister of Transport seems anxious to reply. I doubt whether that should be allowed. If the minister is allowed to reply, at that point we will have a debate on a question of privilege and I do not think we should proceed on that basis. In this instance I have to make the same ruling as has been made in the past by previous Speakers and by myself on a few previous occasions. I think we should go on to another subject.

Mr. Jamieson: May I rise on a question of privilege?

Mr. Speaker: The hon. minister can rise on a new question of privilege.

Mr. Jamieson: Mr. Speaker, merely for the record and not in any debating form or anything of that nature, I simply want to record the fact out of respect for this House and out of respect for the principle which the hon. member for Crowfoot raised, I did in fact last night invite the members of the Standing Committee on Transport and Communications and any other interested members to a full briefing on this matter before, indeed, it was released.

Mr. Speaker: Order, please. Obviously we are getting involved in a debate. The hon. minister has sought to reply to the hon. member on his own question of privilege. I have to rule for the minister the same way I ruled for the hon. member. I told the hon. member there could be no debate on his question since there was no question of privilege. The minister sought the floor on his own question of privilege. I have to rule that there is no question of privilege and there should be no debate on that question either. This may go on for a long time. The hon. member is rising on a third question of privilege?

An hon. Member: A second for him.

Mr. Horner: This is a new question of privilege and I am raising it at the very earliest opportunity, which I understand is when a question of privilege should be raised. The question of privilege I raise at this opportune time is that the minister did call a special committee meeting but my office was not informed of the time. A committee meeting called in such an informal manner should not and cannot supplant the House of Commons.

An hon. Member: Right.

Mr. Horner: It was only called for those people who were lucky enough to hear of the calling and were available for the meeting. It was in camera. It had nothing to do with the procedures in this House. As I understand Beauchesne, citation 100, paragraph (7), which deals with this whole subject matter, it can only be judged by the House itself. I believe—

Mr. Speaker: Order, please. The hon. member does not interpret Beauchesne as it ought to be interpreted. I say this in fairness to the hon. member. My interpretation, and I believe it is the traditional interpretation, is that a decision has to be taken by the House when the Chair has ruled there is a prima facie case of privilege. This is a decision which in all instances the Chair unfortunately has the duty and responsibility to render. My thought when the hon. member raised the point originally was that because of precedents it could not be raised as a question of privilege. I was hoping the minister would not raise the subsequent question of privilege; however, he did.

The hon. member is rising on another question of privilege. I have to rule again that this is a matter for debate with reference to a long-standing grievance which individual members may very well have against the executive. Unfortunately for the hon. member and for other hon. members who feel the same way as he does, that such statements should be made in the House rather than outside the House, the weight of jurisprudence is there to say that the matter cannot be debated. The Chair is in the position of having to rule that it is not a question of privilege, although it may be a very legitimate grievance.

I seek the assistance of hon. members to go on with the business of the chamber. I realize this is an important question. Maybe I should look into the matter further, but I believe from time to time I have looked into it quite closely. For the moment I ask the assistance of hon. members to allow the House to go on with another subject.

Mr. Hees: On a question of privilege, Mr. Speaker, if the ruling which you have made in your wisdom is allowed to stand now, any future government is given the right to treat matters of great importance to Parliament and to the country in this way, and I feel—

Mr. Speaker: Order, please. The hon. member is not raising a new question of privilege. If I am to remain Speaker of this House I cannot allow hon. members simply to disregard decisions.

Some hon. Members: Hear, hear!

Mr. Speaker: I see around me 262 members who would be better Speakers than I am, but for the moment I stand in this place and hold from hon. members the responsibility to be the Speaker of this House. I have made a decision. The hon. member for Prince Edward-Hastings has always been one of those who have supported the Chair.

Some hon. Members: Oh, oh!

Mr. Speaker: I seek his assistance.

Mr. Hees: I have always supported your decisions, Mr. Speaker, and I accept this one. I was about to appeal to Your Honour's sense of fairness and ask you not to make your final decision now but to delay it for a few hours for consideration, as has been done in the past. Whenever you make your decision, I and my hon. friends will accept it.

Mr. Speaker: As the hon. member will recognize, this is a point which has been raised very often. If it were a new point, perhaps the Chair would not be justified in making an immediate judgment. But it is a point which has been raised on numerous occasions—not only this year, not only last year, but on many occasions—and the decision has always been the same. While there may be a grievance there is not a question of privilege, and I feel bound by the decisions of my worthy predecessors and by the earlier rulings I myself have made.

BUSINESS OF THE HOUSE

Mr. Macdonald (Rosedale): Mr. Speaker, I rise in my usual non-controversial way to make a statement which I think has been agreed upon in connection with the business of the House for the balance of the present week.

The first item today will be as announced previously, the resumed debate on second reading of the bill to amend the National Parks Act, to be followed by the resumed debate on second reading of the oil and gas conservation amendment. For tomorrow we would call the report stage of the bill to amend the Company of Young Canadians Act and Thursday would be an opposition day under the auspices of the Ralliement des Créditistes—the Social Credit Rally. On Friday we would take up the third reading of the Company of Young Canadians bill if it has not been passed on the previous day, to be followed by the report stage of the International Development Research Centre bill.

CANADIAN INTERNATIONAL DEVELOPMENT AGENCY

TABLING OF ANNUAL REVIEW FOR 1969

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I should like to table copies in English and in French of the annual review of the Canadian International Development Agency for 1969.

MOTION TO ADJOURN UNDER S.O. 26

POST OFFICE

MONTREAL POSTAL DISPUTE

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to present a non-controversial motion to the House. I ask leave, seconded by my hon. friend from Sainte-Marie, to move the adjournment of the House under Standing Order 26 for the purpose of discussing a specific and important matter requiring urgent consideration, namely, the postal slowdown in the city of Montreal which has crippled mail service, a concern which is within the administrative responsibility of the government of Canada and which has presently reached crisis proportions.

• (2:30 p.m.)

May I simply state that I am moving this motion for what I think are obvious reasons. Great concern has been expressed in many quarters at the minister's mishandling of the dispute which began on February 2 and is already imposing costly burdens on mail users in the province of Quebec.

Mr. Speaker: Order, please. I apologize to the Leader of the Opposition for interrupting his statement. I know we are operating under relatively new Standing Orders, but the

Standing Order in question indicates that the only statement that can be made by an hon. member making a motion under Standing Order 26 is the statement that he has proposed for consideration by the Chair. I suggest that the hon. member has given the essence of his argumentation, and I think a ruling should be given on the basis of the statement presented to the Chair under the provisions of Standing Order 26.

I can assure the Leader of the Opposition and all hon. members that this is a rather difficult decision to make. I fully understand the complexity of the problem that is now before us. It is never easy in any circumstance for the Chair to decide whether the business of the House should be adjourned for the purpose of considering a specific matter of urgent and national importance.

This is a matter of urgent importance and national interest. In the circumstances I am wondering whether we should adjourn the House to consider the matter. In many of these decisions the Chair has to make a judgment decision by taking into account the facts as they are known to Mr. Speaker. I sometimes wonder whether this means that I should consult with hon. members who are familiar with the situation, or whether I should be satisfied with reading the newspapers and listening to radio or television broadcasts and then making my judgment on the facts as they are known to me. I am afraid that this is all that can be done.

Without having held consultations of any kind, my understanding from my reading of the news is that consultations or meetings are to be held today. Obviously these consultations will be of some importance and their results will be relevant to the urgency of this matter. My own view would be that I would be well advised not to make an affirmative ruling at this moment, though this is without prejudice to the right of the Leader of the Opposition to make his motion tomorrow or at a later date depending on the outcome of discussions which may be taking place at this time.

On the basis of this rather unprofessional information I would think hon. members would agree with me that it would not be wise for the Chair to put the motion at this time. It might be premature on my part to put the motion today. However, at the same time I fully reserve the right of the Leader of the Opposition to propose the motion to the House either tomorrow or later.

[Mr. Speaker.]

[*Translation*]

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

Mr. Speaker: The member for Charlevoix is rising on a point of order.

Mr. Asselin: Mr. Speaker, I am not sure whether the House would agree to revert to motions, but since it has been said a moment ago that the Postmaster General had a very important meeting this morning with the C.N.T.U. officials in connection with this important mail problem in Montreal and its national implications, I wonder whether the House would agree to the minister making a statement about the meeting held this morning. If there is unanimous consent, I think the minister might inform the hon. members.

Mr. Speaker: Does the House agree to revert to motions so as to enable the minister to make a statement on the subject mentioned by the member for Charlevoix?

Some hon. Members: Agreed.

Mr. Speaker: There seems to be an agreement. Let us therefore revert to motions.

[*English*]

I recognize the minister so he can make a statement at this time.

[*Translation*]

ROUTINE PROCEEDINGS

POST OFFICE

STATEMENT BY MINISTER ON MONTREAL DISPUTE

Hon. Eric W. Kierans (Postmaster General and Minister of Communications): Mr. Speaker, I met the leaders of the C.N.T.U. this morning. The position of the federal government was discussed at length, and I handed the union leaders a letter describing this position in definite terms. It would be advisable, with the unanimous consent of the House, that I table copies of this letter in the two official languages. I feel this would clarify the situation and keep all members posted.

[*English*]

Mr. Speaker: The minister is suggesting that the House give unanimous consent to allowing the minister to table a certain document. Is that agreed?

Some hon. Members: Agreed.

Mr. Lambert (Edmonton West): No, on *Hansard.*

Mr. Speaker: If it is the unanimous wish of the House, the letter referred to by the minister could be printed as an appendix to *Hansard.* Is that agreed?

Some hon. Members: Agreed.

[*Editor's Note: For text of letter, see appendix.*]

[*Translation*]

Mr. Asselin: Mr. Speaker, I think the minister's tabling of documents will not make the present situation very clear to the House. A statement by him might give members the opportunity to make comments. In my opinion, the minister should be allowed to make a statement. Evidently, without having read the documents he has just tabled, there can be no comments on the meeting and his discussions of this morning with the C.N.T.U. representatives.

[*English*]

Mr. Speaker: This puts the Chair in a difficult position. The minister was invited to make a statement.

Mr. Fairweather: He did not make one.

Mr. Speaker: Well, the minister spoke to the subject. According to the Standing Orders, one spokesman on behalf of each of the parties in opposition has the same privilege. It may be that some hon. members felt the statement might have been more complete, but a statement was made. Hon. members have the right if they wish, as representatives of their parties, to speak and reply to the statement made by the minister.

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, a long time ago, according to ancient history, the Israelites found it difficult to make bricks without straw. Similarly, I am tempted to accept the challenge of making a statement on the minister's non-statement.

There has been filed some sort of letter. I am very much afraid that in my absence the minister, who has been in hot water a good deal, has really got himself in the steam this time. I am very sorry that things have reached such an impasse in Montreal, where a very serious stoppage of mail has developed and where there have been outbreaks of violence. While I cannot for a moment condone some of the reports of violent activity, neither can I exonerate the minister from developing, through his abrasiveness and his typical incapacity for dealing with people who work for and in his department, the kind of regrettable relationship that has brought about this mail stoppage, one that is affecting not only Montreal and its environs but everyone in the country. In these days of austerity, with so many services being cut back as far as the Canadian public is concerned, if we cannot expect at least reasonable delivery of mail under reasonable conditions, then we have reached a very unhappy situation.

There is much more that could be said, but I am far more anxious for the mails to go through and for the minister, by happenstance, by circumstance, by luck or by some sign of the Zodiac, to come to a successful conclusion of this problem than I am to make political capital out of what is a regrettable situation. I hope there is something more in the letter than there frequently is in the communications of the Minister of Communications.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, the minister's non-statement was so short that I did not catch everything he said. However, without for a moment condoning the acts of violence which are taking place in Montreal and without knowing the full details of the particular difficulty in which the minister is now, we have had sufficient experience with the minister and with his complete refusal to try to deal with the employees of the Post Office Department with any kind of equity and common sense that I am not surprised he is in trouble.

• (2:40 p.m.)

I can remember that on an earlier occasion the minister was asked to bring in some people who understand what labour relations are in the 1960's and 1970's instead of 100 years ago. The minister brushed aside such suggestions only to have an arbitrator tell him that what he had been doing in respect of a specific case was completely wrong. I know there are other difficulties in the Post Office Department which will come to a head shortly. I can only join with the hon. member for Hillsborough in asking the minister to look into the matter again, meet with the people himself and encourage his officials who have been so incompetent in dealing with labour relations in the past to try to reach a solution which will be equitable not only to the department but to the employees who have worked for the department for some considerable time.

Inquiries of the Ministry

[*Translation*]

Mr. André Fortin (Lotbinière): Mr. Speaker, the statement just made by the Postmaster General and Minister of Communications (Mr. Kierans), when he tabled letters is, in our view, the most remarkable he has since he became minister.

While I was listening to him the other day on a CBC program, the minister merely replied to the sensible questions put to him by the interviewer: those are illegal strikes. Four strikes have started among postal employees in Montreal, and all are illegal. Mr. Speaker, there is one aspect I would like to stress. When a minister or any other employer is himself involved in a conflict, his duty is not to assess the legality of the conflict but to see to it that it is solved and that the Canadian people are given flawless service.

Postal services are essential, but the Postmaster General and Minister of Communications, through his legal or illegal support of patronage, has created a situation where the people of Canada's metropolis are now severely inconvenienced.

What is more, I read in today's *Le Devoir* and I quote:

A Montreal radio station has announced that Mr. Kierans had threatened to make Toronto the main transfer point for mail, but *Le Devoir* has been unable to confirm this news.

Of course, neither the newspaper nor any member of the opposition succeeded in having the news confirmed because right from the start, the minister was firmly glued to his seat and let the conflict get worse.

Mr. Speaker, we hope a jury set up for this purpose will solve the conflict and will force the minister to take his responsibilities in order to ensure a perfect service and to eliminate political patronage in this sector.

Postal services are expensive enough, since the implementation of the minister's new policy, to warrant the population an impeccable service.

[*English*]

ORAL QUESTION PERIOD

GRAIN

NON-PRODUCTION OF WHEAT—ASSISTANCE TO FARMERS

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to direct a question to the Minister without Portfolio in charge of the Wheat Board. Would the minister, who evidently has now advised many western wheat farmers not to plant wheat on their land this year, say whether this announcement or statement of government policy is to be followed by any government measure which will make it practical for the farmers in question to survive through the year without farming their lands?

[Mr. Orlikow.]

Hon. Otto E. Lang (Minister without Portfolio): Mr. Speaker, the whole question of the cash and income position of the farmers on the prairies is under review. The point, of course, which the Leader of the Opposition seems to have missed is that the farmers to whom I was particularly speaking have sufficient grain on hand already to meet the quota they are likely to have for this year and next year. So their gross income is fixed by the fact that they have this grain on hand. By the non-production of their land they will have less costs for the period and therefore this will improve their net income position.

Mr. Stanfield: Mr. Speaker, I assure the minister I did not miss the point but perhaps I did not quite grasp the point of how a farmer can farm without farming. I would ask the minister to explain to the House and the country, having given this advice to the farmers—and I suggest the minister has an obligation to do this immediately—what measures he has to advance on behalf of the government to enable the farmers to accept his advice and survive with any acceptable standard of living?

Mr. Lang: Mr. Speaker, it is my hope at an early date that we will be able to make further statements concerning government policy in respect of the use of agricultural land in this area. I said I hoped this can come at an early date because we are conscious of the fact that it is important for the farmer, who has his seeding plans to think about, to have such information as soon as possible.

Mr. Stanfield: Mr. Speaker, this supplementary question is based on a hope on my part that I may receive an answer. Is the minister in a position to say whether the government is prepared to adopt any program of providing some payments for farm storage in respect of wheat stored on the farms of farmers who the minister expects to live off the wheat they grew last year and the year before?

Mr. Lang: The issue of payments to farmers for grain stored on the farm is rather a distinct and different issue. We do have that matter under consideration along with many others. I have made it quite clear that I consider it to be an obvious point that the agricultural industry should arrive at some sensible conclusion about the desirable amount of inventory for the agricultural industry as a whole to hold. Having reached that decision, we must decide how and in what way the inventory should be held in order to minimize the cost of holding it and thereby maximize the return to the farmer.

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, in view of the fact that the income of the western farmer is not only fixed but is rapidly approaching zero, can the Minister without Portfolio tell the House what real objectives the government has in terms of selling wheat and providing adequate income so that the farmers do not all go broke?

Mr. Speaker: It seems to me the hon. member is reiterating in substance a question just asked by the Leader of the Opposition.

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, I should like to ask the minister whether his declaration of defeatism and despair with regard to the western farmer represents the result of his deep thought and consideration of this problem when in London?

Mr. Speaker: Order, please. I do not think the question as asked is in order.

Mr. S. J. Korchinski (Mackenzie): I have a supplementary, Mr. Speaker. After the fresh-air treatment we have had from the minister I wonder whether he would clarify the situation in respect of the farmers having grain on hand to meet their 1970-71 delivery quotas by indicating what these deliveries might be? Will there be a six-bushel quota, a four-bushel quota or the unit they have this year?

Mr. Lang: It is my hope and expectation that we will be making fairly firm statements about the expectations for this year and next year in connection with delivery opportunities. I should point out to hon. members that in fact the sales effort by the Canadian Wheat Board has met with tremendous success during the current year. As a result there will be another 260 million bushels going into export during the rest of the crop year.

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): I have a supplementary question for the minister. In view of the fact that the only time a federal minister asked the western farmers to take land out of production, the government of that time paid the farmers a stated amount per acre as an incentive and as compensation for the fact that their land would not be producing any paying crop, may I ask the minister now whether it is the government's intention to pay the farmers an acreage payment for every acre they take out of production at his request?

Mr. Lang: I should like to make it perfectly clear that what has been going on so far are discussions between myself and a number of farmers about the logical position in which they are, and no statement of government policy on this has been made as yet. The question of what will be contained in a statement of government policy will have to await a statement of that policy.

Mr. Diefenbaker: How about a logical government policy?

Mr. Speaker: Order, please. We will try to allow all hon. members who wish to ask supplementary questions to do so during the 40-minute question period, but perhaps we should try to limit ourselves as much as possible and allow individual members one or two supplementary questions each, which will just about take up the 40 minutes.

Mr. Douglas (Nanaimo-Cowichan-The Islands): May I ask the minister one further supplementary question. Are we to understand from the minister's statement now that he was not enunciating government policy but merely telling the farmers how to farm, and that the government has no intention whatsoever of compensating the farmers for following his advice?

Mr. Speaker: Order, please.

[*Later:*]

Mr. Les Benjamin (Regina-Lake Centre): I wish to direct a supplementary question to the Minister without Portfolio in charge of the Canadian Wheat Board. In view of the fact that the minister is quoted as saying, in the context of his remarks that farmers leave their wheat land idle, "that there were 24 million acres planted to wheat last year that cannot be usefully switched to another crop", will the minister advise the House whether it is his opinion and that of his officials that all other grain commodities that might be grown on this land are now in sufficient or surplus

supply and that no other commodities or other kinds of grain need to be grown?

Mr. Lang: The best opinion available, as indicated in such things as the Outlook Conference, was that the acreage available for grains and crops other than wheat last year was about the right amount of acreage for those crops again this year. That does not mean that each crop should have the same acreage. Indeed it is indicated that there should be some increases in some crops and small decreases in others. It means that there is in fact only a small margin of room for additional production in the total non-wheat area, and this leads to the problem of what to do with land if it is moving out of wheat production. The obvious thing that must be avoided is that it go in great quantity into the non-wheat crops and produce serious oversupply in those areas.

Mr. George Muir (Lisgar): Mr. Speaker, I wish to direct a supplementary question to the Minister without Portfolio. In his reply to the Leader of the Opposition he said that some farmers had enough wheat to supply the market for the next two years. Is he implying by that remark that the farmer can live and meet his expenses for—

Mr. Speaker: Order, please. The hon. member's supplementary is argumentative.

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, I wish to direct a further supplementary question to the Minister without Portfolio. In view of the most recent statements of the minister, is he now recommending to the government that a deficiency payment should be made to farmers in western Canada?

Mr. Lang: Mr. Speaker, government policy will be announced as soon as it is decided.

Mr. R. E. McKinley (Huron): Mr. Speaker, I wish to direct a supplementary question to the Minister without Portfolio. I wonder, when the minister announces to the House government policy that will be followed to assist and advise the western farmers in their dilemma, whether he will assure the House that he will not simply advise them to diversify into livestock feeding operations and thereby create another problem for the farmers in the east?

Mr. Lang: Mr. Speaker, that was very much what was in my mind when I talked to farmers about acreage diversion problems, that to simply take their acreage out of wheat and put it into other crops would be relatively dangerous because the other crops would then be in over-supply.

[*Later*:]

Mr. McKinley: Mr. Speaker, I believe the minister misunderstood my question to a certain extent, in spite of my explanation, and farmers will not find it satisfactory to have a minister like that in charge of their business—

Mr. Speaker: Order, please. If the hon. member has a supplementary question, he should try to ask it at this time.

Mr. McKinley: I will, Mr. Speaker, thank you. What I particularly asked was that the minister not simply inform western farmers that they should go into the feeding of livestock and thereby put the eastern farmer out of business.

Mr. John Burton (Regina East): As a further supplementary question, Mr. Speaker, will the minister undertake to make a statement on motions in the near future clarifying the government's position on the matters upon which he has been questioned today? Will he also undertake to follow up on reports of further opportunities for grain sales and wheat sales to eastern Europe, including the country of Roumania in particular?

Mr. Lang: Mr. Speaker, I can assure hon. members that the Wheat Board and the government follow up any report and any possibility for grain sales. I would expect that before too long I would be in a position to make a statement on government policy in this area.

Mr. J. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I wish to ask a supplementary question of the Minister without Portfolio responsible for the Wheat Board. Would the minister kindly inform the House when his leave of absence from the University of Saskatchewan expires?

Mr. Baldwin: Are there any judicial openings in Saskatchewan?

WHEAT—REQUEST FOR STATEMENT ON REVISION OF QUOTA SYSTEM

Mr. A. B. Douglas (Assiniboia): My supplementary question to the minister is: Has the minister now received the recommendations of the special committee which is revising the

Wheat Board quota system and, if so, will he make a statement to the House on motions on this urgent and important subject?

Hon. Otto E. Lang (Minister without Portfolio): We do not have the final report from the group of men advising us on the quota system, but I hope to have it at an early date and then to make a statement on the proposed quota system or any changes in it.

WHEAT—REQUEST FOR STATEMENT ON PLANS TO INCREASE SALES ON LONDON MARKET

Hon. George Hees (Prince Edward-Hastings): I have a supplementary question for the minister. Would he take the first opportunity on motions to outline to the House what action the government plans to take in view of the information given to the minister and the members of the Wheat Board who were with him in London a few days ago that the reason Canada has been losing sales on the London market is that the Canadian export program has not been adjusted to meet the changing demands of that market during the past several years?

Hon. Otto E. Lang (Minister without Portfolio): That statement is an over-simplification of a very complicated subject. The loss of sales to the United Kingdom was due in good part to the fact that during a major portion of the year in question we were holding our minimum prices at the IGA level when many of our competitors were not, and I do not propose to make a statement on motions on that subject.

Mr. Hees: I have a further supplementary question, Mr. Speaker. In other words, in this government's view the customer is always wrong.

Mr. Speaker: Order, please.

Mr. Baldwin: Are there any vacant judgeships in Saskatchewan?

[*Translation*]

PROTEIN CONTENT OF CANADIAN WHEAT

Mr. Speaker: Order. Does the hon. member for Frontenac wish to put a supplementary question?

Mr. Bernard Dumont (Frontenac): Yes, Mr. Speaker.

Mr. Speaker: The hon. member for Frontenac.

Mr. Dumont: Mr. Speaker, I should like to direct a question to the Minister without Portfolio responsible for the Canadian Wheat Board.

Have studies been carried out or are there some under way to ensure that Canadian wheat for exports will have a higher protein content?

[*English*]

Hon. Otto E. Lang (Minister without Portfolio): This question is under consideration at the present time, and I expect that we will be in a position to make statements on it in due course.

DEFINITION OF DURUM WHEAT—FINAL PAYMENT

Mr. Rod Thomson (Battleford-Kindersley): A supplementary question, Mr. Speaker. Does the Minister without Portfolio now have a statement to make regarding the definition of Durum wheat and whether a final payment will be made on this grain?

Hon. Otto E. Lang (Minister without Portfolio): No, Mr. Speaker, I do not have any statement to make.

AGRICULTURE

INQUIRY AS TO REPORT OF TASK FORCE

Hon. W. G. Dinsdale (Brandon-Souris): My question is directed to the Minister of Agriculture. In view of the importance of the report of the task force on agriculture to the farmers' spring plans and the fact that the minister has had it in his hands for the past several weeks, can he inform the House and the farmers of Canada when this report will be tabled?

Hon. H. A. Olson (Minister of Agriculture): Yes, Mr. Speaker, as soon as it is printed.

POSSIBLE MORATORIUM ON PAYMENTS ON FARMERS' LOANS

Mr. R. R. Southam (Qu'Appelle-Moose Mountain): Mr. Speaker, I have a question for the Minister of Agriculture which is related to this whole topic. In light of the very stringent economic situation at present existing in the agricultural industry and more particularly in western Canada, can the minister say whether any decision has been made with respect to declaring a moratorium on the

repayment of interest and principal on current farm improvement loans, Farm Credit Corporation loans and machinery syndicate loans?

Hon. H. A. Olson (Minister of Agriculture): I have answered a question similar to this one several times in the House. I can repeat the answer by saying that any person who has a Farm Credit Corporation loan and wishes to make an application to the corporation and can substantiate that he is unable to make the payments may have those payments deferred. But the hon. member should be aware of that because I have stated it about 14 times in the House.

[*Later:*]

Mr. Southam: Mr. Speaker, my supplementary question is related to the one I put to the Minister of Agriculture a moment ago. In view of his arrogant reply to me that he had answered this question 14 times before, did he give those answers outside the House because he sure as heck didn't give them in the House?

Mr. Speaker: Order, please.

[*Later:*]

Mr. J. H. Horner (Crowfoot): I should like to direct a supplementary question to both ministers but in light of the fact that the minister in charge of the Wheat Board has had to answer a number of questions, I will direct my supplementary question to the Minister of Agriculture.

The question is related to the one put by the hon. member for Qu'Appelle-Moose Mountain with regard to the repayment of interest on loans. In view of the Barber Commission report and the number of foreclosures on farm machinery by machine and finance companies and in view of the minister's talks with the machine companies with regard to the findings of the Barber Commission on the sale of farm machinery, would he request in the future—I know he has not done so in the past—that these machinery companies place a moratorium on foreclosures and on the reclaiming of their farm machinery until the farmers are in a position to sell grain and to pay for the machinery, which they mostly want to do?

Mr. Olson: It is not quite right to say that I did not discuss this matter with some of the manufacturers—

Mr. Horner: You said so yourself.

[Mr. Southam.]

Mr. Olson: —although it was not a subject matter that was contained in the Barber Commission report. But I did draw to the attention of the presidents of some of the companies that there was some concern about this matter, and they have advised me that they have renewed and deferred a large number of the notes that they are holding for farm machinery in Canada.

Mr. Horner: Would the minister disclose to the House and to the country the number of loans that were being foreclosed and the percentage of loans on which the machine companies have agreed to place a moratorium or to delay foreclosures?

Mr. Olson: I am not sure I can get that information in the way asked by the hon. member, but certainly I could ask them whether they could provide us with some of that information.

[*Translation*]

NATIONAL PARKS

QUEBEC—ESTABLISHMENT OF A PARK IN ST. MAURICE

Mr. René Matte (Champlain): Mr. Speaker, I have a question for the Minister of Indian Affairs and Northern Development.

Has his department made any decision concerning the national park in the St. Maurice valley?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, no final decision has been made; however, I am supposed to meet with the provincial authorities tomorrow concerning that problem as well as that of the Forillon national park.

[*English*]

INDUSTRY

ASSISTANCE TO DE HAVILLAND STOL AIRCRAFT PROGRAM

Mr. Barney Danson (York North): Mr. Speaker, I should like to ask the Minister of Industry, Trade and Commerce if there has been federal government assistance involved continue its DHC-7 STOL aircraft program and, if so, what is the nature of this assistance and its extent?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, up to in the decision of de Havilland Canada to

now the government has given $1.4 million for this program but another $3.1 million will be added to that, making a $4.5 million total.

INDIAN AFFAIRS

HAY LAKES—ALLEGED MISUSE OF BAND FUNDS BY GOVERNMENT OFFICIALS

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I have a question for the Minister of Indian Affairs and Northern Development for which I am sure he is waiting. I see him opening his music book. Can he reply to the question I asked yesterday and Friday with regard to the allegations about irregularities with regard to the Assumption Band resolutions at Hay Lakes?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Yes, Mr. Speaker, I did receive a telegram Friday from the chief concerned. I immediately ordered an investigation, and some officials of the Financial Branch of my department will go on the spot without delay in order to ascertain whether there have been irregularities.

The first report I received states that every expenditure has been approved by the band council. However, an official of my department will investigate more fully on the spot either today or tomorrow, or later this week.

[*English*]

Mr. Baldwin: A supplementary question. In view of the fact that some of the allegations, which are substantiated by affidavit, are that the chief and the band council signed resolutions in blank which were subsequently filled out by departmental officials, will the minister co-operate and facilitate the inquiry by the Standing Committee on Indian Affairs and Northern Development into these very serious charges, having in mind the position of unrest in which many Indians now find themselves in in this country?

[*Translation*]

Mr. Chrétien: Mr. Speaker, I am expecting a report from the officials of my department on that matter. As for my hon. friend's suggestion, I shall be pleased to study it, and I shall advise the House accordingly.

[*English*]

Mr. A. D. Hales (Wellington): Mr. Speaker, I wish to direct a supplementary question to the minister and ask him if the Auditor General and his staff have been called to investigate this discrepancy?

[*Translation*]

Mr. Chrétien: Mr. Speaker, I am not familiar with that aspect of the administration.

[*English*]

THE CANADIAN ECONOMY

ACQUISITION OF CANADIAN COACHWAYS BY GREYHOUND LINES

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I direct a question to the Minister of Transport. Some weeks ago I asked him about the decision of the Canadian Transport Commission to approve the application of Greyhound Bus Lines of Chicago to acquire Canadian Coachways. The minister promised to look into the matter and to consider my request that the Canadian government intervene to prevent this takeover. Is the minister prepared to make any report to the House on what decision he has reached?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, there is a rather lengthy reply on this matter which I apologize I ought to have given to the hon. member earlier. If it is agreeable to him I will give it to him in writing now. If there are subsequent questions on it he can ask me at that time.

Mr. Douglas (Nanaimo-Cowichan-The Islands): As a supplementary question may I ask the minister if, in looking over the transcript, he has read the briefs of some of the other bus companies which point out that the granting of this application to Greyhound will mean they will have a virtual monopoly, and will control 70 per cent of the bus mileage in western Canada, and if in the light of that the minister does not think this takeover should be prevented in order to maintain some competition?

Mr. Speaker: The hon. member's supplementary is an argument.

POLLUTION

WRECKING OF TANKER "ARROW"—SIGNING BY CAPTAIN OF FORM AUTHORIZING SALVAGE ATTEMPT

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I wish to direct a question to the Minister of Transport and I hope you will bear with me briefly while I lay the groundwork for it. When the oil tanker *Arrow* grounded on Cerberus rock on Tuesday last, the salvage master at Halifax ordered the tug

Foundation Valiant to the site, and had the tug *Foundation Vigilant* available. In order to make an attempt to salvage the ship, Lloyd's open form had to be signed by the captain of the oil tanker. Did the captain of the tanker agree to sign this form so that an attempt could be made to salvage the *Arrow* by putting a line on board the ship?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I am afraid I cannot answer this question of my own knowledge. I will look into it immediately and advise the hon. member as quickly as possible.

Mr. Crouse: While the minister is looking into that aspect of the question, will he also indicate or ascertain if possible why permission to lighten the *Arrow* was refused by the captain of the tanker when the tanker *Imperial Acadia* arrived on the scene at midnight, Tuesday?

WRECKING OF TANKER "ARROW"—NATURE OF INQUIRY

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, I wish to direct this question to the Minister of Transport since he was not in the House the other night when I took part in the late show. Will the inquiry ordered into this disaster be conducted by somebody completely divorced from the Department of Transport and from the oil shipping industry?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, we are looking into what is the most appropriate method. I agree with the hon. member that it should be an independent inquiry, and whatever is the best method to achieve this, that we will use. May I also apologize to the hon. member for not being here for the late show. It was due to an error in the late show notification procedures, as I think he knows.

Mr. J. P. Nowlan (Annapolis Valley): A supplementary question, Mr. Speaker. Since the minister did not make a statement in the House today on the reorganization of his department, will he consider making a statement in the House at the earliest moment, say tomorrow or this week, on all aspects of this *Arrow* tragedy, including whether the reorganization of the department will help the Department of Transport respond to such unfortunate accidents in a way that will prevent damage to our coasts?

Mr. Jamieson: I shall be glad to make a statement later when the situation is clear, Mr. Speaker.

[Mr. Crouse.]

Mr. Nowlan: A further supplementary question, Mr. Speaker. I wonder if the minister could include in his statement the relationship, if any, that there has been between the National Research Council and the Defence Research Council on the whole question of how oil pollutes water and how to get rid of it.

WRECKING OF TANKER "ARROW"—DAMAGE SUFFERED BY FISHERMEN

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I have a supplementary question for the Minister of Fisheries. I should like to ask whether he and his department are pursuing any course to assess the damage suffered by the fishermen as a result of oil escaping from the *Arrow*, and whether the minister is considering any recourse against those responsible for the damage with a view to the government and the fishermen being recouped for the damage likely to be suffered?

Hon. Jack Davis (Minister of Fisheries): The answer is yes, Mr. Speaker. Mr. John Daziel, of the fisheries department is acting as coordinator of a technical group on ecological control in the area looking into the damage to marine life. We are also actively looking at the possibility of recovering costs which may be suffered by the fishermen in the area.

Mr. Thomas M. Bell (Saint John-Lancaster): A supplementary question, Mr. Speaker. May I ask the minister if there was in fact a contingency plan to deal with the adverse effect of oil pollution?

Mr. Davis: I am informed, Mr. Speaker, that contingency plans have been under discussion and in the process of development for about 12 months, under the chairmanship of the Department of Transport.

Mr. Bell: A further supplementary, Mr. Speaker. May I take it from the minister that there were not, in fact, contingency plans as intimated by his Parliamentary Secretary on January 14?

Mr. Davis: Mr. Speaker, I understand there were contingency plans under development and meetings were being held as recently as three weeks ago to finalize these plans.

LABOUR RELATIONS

FORT GARRY HOTEL STRIKE—USE OF OTHER PERSONNEL

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I have a question for

the Minister of Transport. On Wednesday of last week I asked him if he would look into the matter of the Fort Garry Hotel in Winnipeg bringing in outside personnel to maintain operations in the face of a legal and legitimate strike. Has the minister been able to do so and has he been able to do anything to put a stop to this practice?

Hon. Donald C. Jamieson (Minister of Transport): No, Mr. Speaker, I have not been able to do anything to put a stop to the practice. I have brought the reports to the attention of the CNR which operates the hotel and this seems to me as much as I would be able to do under the circumstances.

Mr. Knowles (Winnipeg North Centre): A supplementary question, Mr. Speaker. Has the minister discussed this matter with his colleague, the Minister of Labour, who has a labour code which calls for fair labour practices?

[*Translation*]

POST OFFICE

MONTREAL—MEASURES TO SETTLE POSTAL DISPUTE

Mr. Georges Valade (Sainte-Marie): Mr. Speaker, I should like to put a question to the Postmaster General and Minister of Communications.

When will the minister be in a position to advise the House that he has found a way to settle the present postal dispute in Montreal and what steps does his Department intend to take to settle this dispute?

Hon. Eric W. Kierans (Postmaster General and Minister of Communications): Mr. Speaker I would advise the hon. member to read carefully the letter I just tabled. He will then be better informed and learn about the measures I intend to implement.

Mr. Valade: Mr. Speaker, I have a supplementary question.

Can the minister tell the House if his department intends to transfer the postal distribution centre from Montreal to Toronto as a step conducive to the settlement of this dispute?

Mr. Kierans: Mr. Speaker, I never said that and nobody can ascribe such an intention to me. I merely said that temporarily, the mail sent from one part of the country to another would not be routed through Montreal.

Hon. Martial Asselin (Charlevoix): I have a supplementary, Mr. Speaker.

I would like to know whether the minister, after his meeting this morning with union representatives, was given the assurance that the agitation will cease in Montreal and that regular mail deliveries will be resumed. If not, can the minister tell us what contingency action he intends to take, such as the steps he mentioned yesterday were to be taken today in order to bring about normal mail delivery in Montreal?

Mr. Kierans: Mr. Speaker, I told the two CNTU representatives this morning that I certainly intend to apply the legislation as adopted by the House.

The law requires that I call for tenders and that is what I did. We have adjudicated contracts to five new contractors. The agreements are signed and we are bound by them. Therefore, we only have to decide what we can do for those who will not be hired by the new contractors.

There are some steps we can take with the assistance and support of my colleague, the Minister of Manpower and Immigration (Mr. MacEachen). At this stage, may I say that Mr. Grenier, assistant deputy minister of Manpower and Immigration was present at this morning's meeting. At the end of the meeting, all were aware of our position and I told them I was at their disposal whenever they wanted.

Mr. Asselin: A supplementary, Mr. Speaker.

Did the union accept the minister's position and will they advise the workers to resume mail delivery in Montreal?

If they rejected it, does the minister intend to take strict measures to ensure the mail delivery?

Mr. Kierans: Mr. Speaker, the representatives of the CNTU have asked the minister to guarantee the statute of their union. I simply told them: Your statute is spelled out in the contract which binds you to your employers. You have already lost one, that is Rod Service Limited, and you are in the process of losing another. That is your business.

Mr. Speaker: Order. I regret to interrupt the minister in the midst of his flight of oratory, but I think this is more a debate than a series of questions and answers.

Mr. André Fortin (Lotbinière): Mr. Speaker, I wish to ask a supplementary question.

When the Postmaster General and Minister of Communications says that the present strike in Montreal which paralyses the postal

service is unlawful, does he say that on the advice of a legal counsel from the Department of Labour or from his own department?

Mr. Kierans: Mr. Speaker, even the union representatives admit that their present activity is unlawful.

Mr. Roch La Salle (Joliette): I want to put a supplementary question to the Postmaster General and Minister of Communications.

As it was said that new contractors were responsible for mail delivery, will the government find itself under the obligation to buy the trucks of G. Lapalme Inc.?

Mr. Kierans: In view of the fact that, last year, we granted a contract for one year only, it is necessary to assure now the contractor that if the contract is terminated at the end of the year, as we did, he cannot, of course, claim for tax purposes the full depreciation on the trucks. We shall accept, then, to buy his trucks if he is willing to sell them.

This strike is not only unlawful but I can add that at the present time the people of Montreal are blackmailed by the union members.

[*English*]

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I should like to ask a supplementary question based upon the minister's conciliatory letter. Has the minister ascertained from the Minister of Manpower and Immigration that the unemployment situation in Montreal is such that he can obtain 350 drivers immediately?

Mr. Kierans: Yes. Mr. Speaker, you suggested a little earlier that I was brief in my statement. Perhaps you will permit me to welcome the hon. member for Hillsborough back to active service in the House.

Mr. Speaker: Order, please.

Mr. Valade: Mr. Speaker, as an exchange of courtesies I should like to ask the Postmaster General if he would tell us, in relation to the contracts signed with other subcontractors, does the department require re-employment of those persons already employed by Lapalme Inc.?

Mr. Kierans: Mr. Speaker, I wish to thank the hon. member for Sainte-Marie for his courtesy. I would say that this is not something that we do at any time. We simply ask for submissions and tenders and award the contracts in accordance with the law to the lowest tenderers, while taking into account such conditions as capability, financial stability and so on. This is what we have done. Their arrangement with that particular union, whether it be the Teamsters, CNTU or any other union, is their affair. I could not myself—

Mr. Speaker: Order, please.

Mr. Kierans: Mr. Speaker—

[*Translation*]

Mr. Speaker: Order, please. I suggest to hon. members that we ought perhaps to go on to another subject, because there are only two minutes left before the end of the oral question period.

[*English*]

EXTERNAL AFFAIRS

APPLICATION RESPECTING FLOODING OF LAND NEAR SKAGIT RIVER

Mr. Mark Rose (Fraser Valley West): Mr. Speaker, may I direct my question to the Parliamentary Secretary to the Minister of Energy, Mines and Resources .Perhaps he could take it as notice. Has the city of Seattle applied to the Department of Energy, Mines and Resources for an exemption under the International River Improvements Act to allow the Seattle Power and Light Company to flood Canadian territory by raising the height of the dam on the Skagit River?

Mr. Speaker: Order, please. I think that is a proper question for the Order Paper.

CANADIAN SOVEREIGNTY

NORTHWEST PASSAGE—PREPARATION OF REGULATIONS RESPECTING NAVIGATION AND POLLUTION

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I have a question for the Minister of Transport. Can the minister tell the House if his department is preparing appropriate regulations with respect to navigation and pollution in the area known as the Northwest Passage. Also, is he providing for appropriate navigational aids in the areas?

Mr. Speaker: Order, please. I wonder how urgent this question is. It seems to me that this question and the one asked previously might be the types of questions which normally ought to be placed on the Order Paper.

Mr. Nesbitt: With respect, Mr. Speaker, Your Honour will perhaps recall that a

number of questions have been asked in the last few days with respect to the immediately projected voyage of the *Manhattan* through this area. It is a large ship. Perhaps Your Honour might permit the question in the circumstances.

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I have forgotten part of the question. In any event, so far as navigational aids and the like are concerned, many such aids are in place and have been in place for some time. We are constantly attempting to upgrade them, regardless of the kind of activity going on in the area and regardless of whether the *Manhattan* is to undertake a second voyage or not. On the matter of pollution, hon. members will recall that, as indicated in the House, legislation in that regard is coming forward.

Mr. Nesbitt: A supplementary question, Mr. Speaker. If the *Manhattan* is to undertake the projected voyage through the area, will the ship require a special permit from the Department of Transport to go through these waters?

Mr. Jamieson: Mr. Speaker, I have said repeatedly that this is a hypothetical question. There has been no request for the *Manhattan* to go through.

FISHERIES

CANADA-U.S. DRAFT AGREEMENT ON FISHING PRIVILEGES

Mr. Frank Howard (Skeena): Mr. Speaker, may I direct a question to the Minister of Fisheries and Forestry about the draft agreement between Canada and the United States regarding reciprocity of fishing privileges in the fishing zones of each country. If the minister is agreeable, we could immediately and without debate refer the matter to the Standing Committee on Fisheries and Forestry for examination before ratification.

Hon. Jack Davis (Minister of Fisheries and Forestry): Mr. Speaker, I understand that it is a draft agreement which is subject to ratification. It would have to be ratified both by the Canadian and United States governments. It is not really appropriate, therefore, to make it available for this House at this stage.

Mr. Howard (Skeena): Mr. Speaker, surely a just society can conceive ways of doing things differently. I submit the minister ought to give our people an opportunity to see what it is that has been negotiated.

Mr. Stanfield: This government will not do that.

Mr. Baldwin: Not this fishy government.

Mr. Pepin: Mr. Speaker, may I make a supplementary answer to a previous question.

Mr. Speaker: Order, please. The question period has expired. Is the minister seeking permission to continue the question period beyond the allotted time for the purpose of answering a question asked earlier this afternoon?

Some hon. Members: Agreed.

INDUSTRY

ASSISTANCE TO DE HAVILLAND STOL AIRCRAFT PROGRAM

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, may I make a supplementary answer with respect to the de Havilland DH-7 STOL aircraft. The figures given were for this year only. In the communiqué issued yesterday, I said that this matter would be reviewed at the end of the year.

• (3:30 p.m.)

GOVERNMENT ORDERS

NATIONAL PARKS ACT

AMENDMENTS RESPECTING DEFINITION, ACQUISITION, ADMINISTRATION, ETC.

The House resumed from Tuesday, February 10, consideration of the motion of Mr. Chrétien that Bill C-152, to amend the National Parks Act, be read the second time and referred to the Standing Committee on Indian Affairs and Northern Development.

Mr. F. J. Bigg (Pembina): Mr. Speaker, Bill C-152 purports to amend the national parks policy of Canada and, among other things, to set up another Crown corporation to take this rather difficult business out of the realm of politics. If I thought that the purpose of the bill was to reform the national parks policy of Canada and take such an important subject out of the realm of politics by setting up another Crown corporation, I should support it. But on neither of these counts am I satisfied; nor do I think Canada's best interests would be protected by passage of this bill.

I shall confine most of my remarks to the way this problem affects the people of Alberta and, of course, the people of Canada. I

have some intimate knowledge of the subject because I had the honour to represent the electoral district of Athabasca for some ten years. Wood Buffalo Park, an area of some 14,000 square miles, is mostly in that constituency. That park is larger than ten of the countries of Europe.

When the government tries to sell its parks policy it trots out arguments about the love of nature, the preservation of beauty and the conservation of our animal life. When I tried to use some common sense in connection with the subject as it pertained to Wood Buffalo Park, I saw many crocodile tears shed over the whooping crane. Some 50 whooping cranes are now left, and I do not think that we need put aside 14,000 square miles of territory to protect the whooping crane. Anyone who argues that way is being preposterous. The whooping cranes all nest in a very limited area and need only a few square miles of land to be protected forever.

The examination of our national parks policy should not be undertaken lightly. We must consider not only the 20 million odd Canadians who may enjoy utilizing out-of-door recreational activities but the many hundreds of thousands of visitors from foreign lands who come to our parks. The parks form an important keystone in the tourist industry of Canada which is providing numerous jobs for Canadians. I hope that the idea of people working hard and honestly for their living is not becoming an anachronism, particularly when the people are entrepreneurs.

I, for one, think that no government owned and operated corporation can supply the type of service required by those who enjoy fresh air or contemplating the beauty of our mountains and parks as well as those private individuals who are dedicated to supplying those facilities which will preserve the natural beauty of which we are so justly proud. I am against the present trend evidenced in Bill C-152 being foisted on the tourist industry of Canada which apparently has been almost completely ignored in our search for a national answer to this important problem. Perhaps we ought to consider for a moment just how the problem has come about. Why should individuals in Canada claim they have any right to live or operate businesses in our national parks? The answer is fairly simple. At the time the national parks were set up there were no service towns in a great many of these areas.

I wish to deal with the town of Jasper. The people who lived in Jasper were asked to co-operate, invest, build their homes and to invite their friends to come there. The Canadian National Railways moved their railway town, Lucerne, which at that time was several miles away, and set up the town of Jasper. They moved their divisional point there and in order to spur growth the Lake Edith subdivision was created. This is a few miles from the town of Jasper. The problem which affects the Lake Edith subdivision is typical of the problem which we face when we drive people out of the parks.

These people were given renewable leases for 42 year periods. One of the stipulations was that they were to comply with certain rigid standards. From my own experience gained from visiting these subdivisions and the town of Jasper, these people not only adhered to these standards to the letter, but went further than that. They built beautiful homes which are a credit to Canada. Rather than taking away from the natural beauty of Jasper Park, in many cases they added beauty comparable to that in the beautiful recreation areas in Switzerland and other parts of Europe. The chalets, hotels and business places they built are a great credit. I see no reason why in the future these people, who have done so well in the past, should not be allowed to retain their family, business and community interest in the towns scattered throughout our parks. These were their own creation. Without them the popularity of our whole tourist industry may not have gained the international reputation which it enjoys today.

Over the years a true community spirit has developed in Jasper. The people are proud of their well kept homes and yards. They are proud of the achievements of their sons and daughters in sports which have been engendered by the use of the parks up to the present time. They are proud of their social, military and business activities. The people of Jasper are proud of a job well done in providing services to the travelling public and to the transportation industry, without which the use of our parks would have been impossible. I refer of course to the railroad companies and their employees who live in these communities. They are proud of their friendships which they have developed with travellers from all parts of the world. They are proud of the recognition they receive amongst the tourist resorts of the world. The people of Jasper and Banff are proud of the fact that they have continually lived in these towns and have developed well managed businesses, homes and communities which have been

maintained and improved until the natural beauty of their surroundings has been enhanced rather than downgraded by the fact that they live there.

Canada's great playgrounds and great heritage of wildlife and splendour are in good hands. An attempt is now being made to change the lives of these people and these communities with a mere stroke of the pen. Their leases are being cancelled by legal means or foul. An appeal against the unilateral and arbitrary cancellation of leases has been won by residents of the parks in the Exchequer Court of Canada, but the parks department has appealed the ruling. As this matter is sub judice, I do not hope to influence the matter one way or another. However, I detect a certain undue haste to have Bill C-152 passed before the decision of the court is given.

Leases are not to be renewed. Land rentals are to be increased up to 4,000 per cent. Why? The regulations are being made more stringent. Decisions of the department are being delayed longer and longer in a snarl of red tape. A campaign of harassment against the residents is evident, and the people feel strongly about it as is indicated by their correspondence with their members of Parliament. They are continually complaining, but apparently their complaints fall on deaf ears. If the minister is aware of these complaints, he has not made any utterances which have allayed their fears.

Although it is difficult to pin down, these Park residents are being accused, and I have heard these accusations, of taking advantage of the position in which they have been. They have been accused of exploitation of the public. These accusations have been hurled against them without cause. It is the desire of some empire builders to take away from the people of Canada one more area and to enshrine it in bureaucracy. This is all being done with high sounding phrases which indicate the whole matter is above politics. I do not think there should be anything in Canada above politics. I think politics must be the highest calling in this country.

It is an insult to this institution and those of us who sit here who are properly adjusted, well-meaning men to suggest there is any necessity whatsoever to take matters out of politics. Politics should be at the level which I am talking about today. Parliament is and must remain the supreme court of the land. To say this is a democracy and then set up a few bureaucrats behind closed doors to run our affairs, thus taking them out of politics is sheer nonsense. I am not a cynical man, but I am practical. This is the last thing that should be done if the individual rights of Canadians are to remain where they should be, out in the open.

It has been said that we need an ombudsman. I like to think that we have 264 ombudsmen. This House is the place in which power should reside in Canada. I am not saying that the whole situation of national parks does not need to be looked at and looked at well, but it must be done with full consultation. It should certainly be done with the advice and consent of those people who have already established, not only in Canada but throughout the world, a reputation for being nature loving, a reputation for wishing to preserve beauty and a reputation for being willing to give their time, their talents and their money to see that the people who use the parks are encouraged to get out and enjoy them.

• (3:40 p.m.)

Nobody in his right mind would suggest we leave these parks with a high wall around them to prevent people from using them. And, of course, if people are to enjoy them we must resort to 20th century methods of getting them there rapidly and economically. We must also make sure that the ordinary people can enjoy the parks when they get there. These parks were set aside by our ancestors in their wisdom so that people could visit and enjoy them. It is not only those who can afford to stay in expensive hotels in Jasper on expense accounts who should benefit from them. The size of the parks is such that it is possible to zone them and still give the people an opportunity to get there and enjoy their beauty. It is not necessary to maintain them simply as a playground for the rich or as a means by which overambitious civil servants can build another empire.

Parks in other areas of Canada may present different problems. I do not think we have sufficient parks. Again, we fall back on the old excuse of the constitution. The provinces should be consulted on this matter; they are represented in this city at this very time. Consultation should be undertaken with them to find out whether they are willing to set aside further land for public use. If the federal government expects to acquire more land for this purpose it will have to get the people involved—the little people of Canada. Proper

consideration and consultation is necessary or else the provinces will sit on their high horse and say: We alone are the protectors of civil liberties. Sometimes it looks as though this is true; it is a pity if it is.

I rarely criticize in this House unless I have a practical solution of some kind to offer. I do not advocate a simple hands-off policy. I do not say we had all the answers long ago and that nothing should be done to change the situation. Indeed, I believe it is time to follow a definite policy in connection with the zoning of our parks. Such a policy is necessary if we are to avoid confusion, injustice and political interference. I believe we must set aside the townsites in some way by agreement with the provinces—turn them back to the full jurisdiction of the provinces. It may well be provision should be made for a corridor through the parks for the sake of better transportation; the railroads did it before the parks were even opened up. We might well have to take the original act and revise it. In this regard, Bill C-152 is perhaps long overdue. But I do not want to see the parks get into the hands of greedy and ambitious people who trot out the whooping crane or the disappearing bison as excuses for denying the people of Canada proper access, or who, on the other hand limit the proper conservation of our wild life and natural beauty on the grounds that there might otherwise be certain injustices.

As to leases, I say that when it comes to paying compensation, or changing the terms of leases, let there be no star chamber tactics. The people of Jasper Park have told me they are quite willing to give up their leases any time it can be shown to them in fair discussion that their particular properties are needed for higher good. And by this, being the well-adjusted citizens they are, they mean that their property would be used by more people to greater advantage while still preserving the wild life and beauty to which I am sure we are all dedicated. This is an attitude on their part which I think has been overlooked. I have no hesitation in saying that these are the people to whom we should look for advice. They are not cold statisticians. Over the last 40 to 50 years they have shown the people of Canada and the world the type of hospitality which has given Alberta and western Canada a name which is a byword in the tourist industry.

As I say, there may be regional differences in what is required, but the general policy applied should be uniform. The Prince Albert National Park, created some years later than those in Alberta, has avoided some of the difficulties I have been discussing. Nevertheless, I understand there is a move on foot at the present time to expropriate owners there as well. I should like to know, and they would like to know—since these services must be provided by somebody—why it is that one person owning a motel should be expropriated to allow another person, arbitrarily chosen behind closed doors, to take over a perfectly legitimate way of earning a living. Why should land and property be removed without cause and given to somebody else?

Another point I wish to make is this: we should develop a national policy with regard to the parks and with regard, also, to the treatment of individuals. Why should leases be granted in one province for 99 years, in another for 42 years and in a third for 21 years? Why cannot the period be the same? I do not think we are likely to get away from this type of disparity by simply handing the whole question over to a Crown corporation which may or may not be in full possession of the facts. And if the corporation does happen to be in full possession of the facts, what guarantee is there that it will be in a better position to ensure equality of treatment across Canada than, say, a committee of this House?

Many other hon. members wish to speak in this debate. We want to hear from all the different areas in Canada. I can assure you, Mr. Speaker, that if this national parks policy is discussed openly, if we talk to the people of Banff, Jasper, Glacier Park and Wood Buffalo Park with the same frankness as they are willing to show, there need be no worries about constitutional difficulties or political infighting. These people are concerned primarily to earn an honest living by giving a service to the people of Canada. If anything can be learned from the record of the past, we can be sure that the future of our national parks will remain in good hands.

[*Translation*]

Mr. René Matte (Champlain): Mr. Speaker, this new bill on national parks could at long last facilitate the creation of this type of parks within the boundaries of Quebec.

The difficulties encouraged in drawing up the plans for the Forillon Park in the Gaspé Peninsula would have been lessened had this legislation already been adopted, and provided the minister does not intend secretly to modify the ultimate objective of those parks, I cannot but approve Bill C-152.

Indeed, the agreements reached between Quebec and Ottawa should not give rise to new sterile conflicts. Quebec is and must remain absolute master within its territory. Any beating around the bush designed to decrease the authority of the provinces within their respective territories would only be due to the ill will of the federal government for, in the final analysis, whether the money comes from Ottawa, the provinces or Quebec in particular, it always comes out of the pockets of the taxpayers. It is therefore unjust and inadmissible that a sector of the population should suffer from the consequences of constitutional disputes. For too long now Quebecers have suffered losses of money, prestige and progress because of the stupid stubbornness of the successive provincial governments whose verbal quarrels have engendered all the evils from which Quebec now suffers.

I should not like to blame exclusively the provincial governments. The whole ambiguous situation is caused by the federal government. The centralizing thrusts of the government, and more particularly of the Liberal governments, gave rise to all those difficulties. The offending paternalism of the federal government towards the provinces does not help matters either. The insatiable appetite of the federal Liberal government is only equalled by its cheekiness in offering or refusing the money required for the development of the provinces.

• (3:50 p.m.)

Such a childish game must stop. If the bill before us now sets clear relations between the parties concerned, upon the signing of the lease, strained relations such as the ones prevailing now with regard to Forillon park will be avoided.

We must avoid facing the same problems while preparing the plans of the future national park of the St. Maurice valley. For more than a year now, I have concerned myself greatly with that project, I have even made interventions in the House to that effect. Up to now, there was relative satisfaction as to the progress of that project. However, it seems that quarrels will break out as to the site of this national park.

An unbiased and very active committee, known as the committee of the future Mekinac national park, was set up.

I have received representations from almost everywhere and there is general agreement as to the site proposed by that committee. The St. Maurice valley wants its national park for it would be an economic incentive for the area.

We congratulate the Shawinigan committee especially, for their wonderful publicity. Moreover, the committee of the future Mekinac national park has become known through its studies, its briefs and its plans which they submitted to all concerned. The most important of those studies led to the selection of a remarkable site, which will be in the interest of the higher and the lower St. Maurice valley. The fact that forest workers had to be protected was taken into account. The economic survival of the eastern shore of the St. Maurice depends directly upon the forest. It is thus logical to propose a site where no important forest development is foreseen for the next 50 years. We can thus protect an important and essential industry of the area.

When choosing a site, it is necessary not to take into account the selfish interests of some individuals. The federal government will have to consider objectively all the projects that will be presented. The St. Maurice Valley will reject every biased argument, for instance, avoid choosing the eastern shore of the St. Maurice on the ground that it is part of the constituency of a Créditiste or the western shore because it is part of the constituency of the minister in charge of national parks, the Minister of Indian Affairs and Northern Development (Mr. Chrétien) or because the Quebec Minister of Labour owns a cottage there. No. Let us be serious and realistic.

A national park must serve the people. The cost, the profit-earning capacity, public opinion are factors that are too important to be considered lightly and, consequently, the minister will have to take them into account.

In my humble opinion, the project that has been presented by the committee of St. Tite and of Ste. Thècle with regard to the choice of a site must be studied carefully and accepted. And especially, the minister must be very careful not to flounder in the meanders of the party in office in Quebec.

If one had to deal with one government only, there would probably be no difficulty. But since two levels of government are involved and bearing in mind that Quebec will soon call an election, any patronage or any undue influence that might prevail in such an important choice as that of the site for a national park should be viewed with suspicion.

Before talks go any further, I would like the responsible minister to be duly warned of

the situation; he should not be deluded with political considerations, but should only be concerned with practical purposes. Quebec should accept the establishment of national parks on its territory. It has already recognized that principle.

I have always felt, however, it was unfortunate that for many years Quebec should have suffered a loss of money because of a misunderstanding with the central government. It would have been better I think to give the Quebec government the means to establish its own provincial parks while waiting for other agreements to be reached. Knowing how the Quebec government proceeds as a rule, it is better to take all that we can now although we might have, however, to preserve the major principle of the territorial sovereignty of the provinces.

Mr. Speaker, I sincerely believe that the main purpose of this bill, as can be seen when we read between the lines, is to settle the conflict with regard to the stand taken by the responsible department and the Quebec government in that respect. If a change were made to the existing legislation and if the leases already signed were to be recognized by Quebec, this would preserve its territorial sovereignty. Thus, there would be no reluctance to promote the establishment of national parks in Quebec territory, particularly in an area such as the St. Maurice valley, where there is not a sufficient variety of industries. The establishment of such a park could greatly promote the economy of the area.

Before closing, I will then repeat that I am in favour of the principle of this bill. I hope that the minister will not get over concerned with minor issues when the time comes to select a site for a national park in the St. Maurice valley.

• (4:00 p.m.)

[*English*]

Mr. Grant Deachman (Vancouver Quadra): Mr. Speaker, since the rules of the House were amended we approach a bill on second reading a little differently than we did a year or so ago. Now, we approach a bill like C-152 to amend the National Parks Act with the knowledge that we are sending the bill to a committee where it will be examined clause by clause. We know that the members of the committee from both sides of the House will have an opportunity to call in experts to ensure they send back to the House a bill that has been amended and which can perhaps be improved at the report stage. So, it is in this spirit I approach the few remarks I wish to make in respect of this bill today; that is, with the idea of introducing perhaps a new suggestion into our consideration of national parks in Canada.

Only a few days ago the Minister of Fisheries and Forestry (Mr. Davis) made the suggestion that the Strait of Georgia, the waters enclosed by the west coast of Canada and Vancouver Island, be made Canada's first national water park and that the waters of the Strait of Georgia, the land under the strait, the fish which swim in that strait and the marine life be protected under our National Parks Act. The people on the west coast have been very troubled about the possibility that the Strait of Georgia would be drilled for oil and that this enclosed body of water might become subject to the type of tragedy which has recently taken place in the Maritimes. The same type of tragedy has taken place off the coast of California where ruptures in the seabed at the site of offshore drilling have caused oil spills which have endangered marine life and destroyed valuable beach lands along the California coast. With this in mind, the minister made the bold suggestion that we might look further afield in respect of the establishment of parks in Canada and that these waters which now are vested in the federal government might indeed be transferred for purposes of a national park. In this manner, we could protect this great marine area.

This is a time when we are very concerned about the pollution of our environment, with the ecology of the lands around us and with the ability of the land to support life as well as the ability of the waters to support marine life. It is with this in mind that perhaps we should be approaching the matter of our national parks, I believe, with the idea of advancing a step further to a national marine park of the nature I have described and which has already been described by the Minister of Fisheries. So, I simply wish to add to the discussion this afternoon by leaving with those who will be examining the bill in the committee this idea; that they look at Bill C-152 in an effort to make sure that it is broad enough to embrace a concept of this kind. When they call the expert witnesses from the department, I hope they will obtain sufficient information about such an idea to make sure we are not, in this bill, restricting the right of the government of Canada to create marine parks for the enjoyment of Canadians. I leave that idea with the House

on second reading and with those who will consider this bill clause by clause in the committee shortly.

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, until the conclusion of the question period I had no idea of rising, even though I had some strong objections to the contents of this bill. What caused me to decide to speak is the fact that the Minister of Indian Affairs and Northern Development (Mr. Chrétien), as soon as his bill was called, could have won any competition in Olympic racing as he ran out of the House so that he would not be here to listen to the discussion of matter of paramount importance in relation to the preservation of our parks.

Mr. Honey: On a question of privilege—

Mr. Diefenbaker: This kind of interruption—

Mr. Deputy Speaker: Order. The parliamentary secretary is rising on a question of privilege.

Mr. Diefenbaker: What is the privilege?

Mr. Honey: I will tell my right hon. friend the question of privilege. The minister and the government have given me the responsibility in this House of Commons—

Mr. Diefenbaker: That is no excuse.

Mr. Honey: Perhaps the hon. member would allow me to finish. Whether he agrees or not, the responsibility has been given to me. The right hon. gentleman is a champion of the rights of Parliament and is always critical of those who would move to a congressional system. This is an opportunity in Parliament for private members to participate. As the right hon. gentleman knows, I have the authority of the minister and the government to pilot this bill through. The minister is watching the proceedings very carefully and reads *Hansard.*

Some hon. Members: Hear, hear.

• (4:10 p.m.)

Mr. Diefenbaker: Farthest from my thoughts is it that he will not make a "honey" of a job of it, but the fact remains that ministers should be here. That is what they are for. We have more ministers in the present government—30 in number—than any government has ever had, and fewer ministers stay in the House. First, a selective system was started, and now they have a system whereby ministers take leave of their responsibilities with chronic abandon.

I am in entire agreement that the parliamentary system should be preserved but, sir, what we are witnessing is a total disregard of Parliament. Minister after minister leaves the House, refuses to answer questions, determines for himself the rights of Parliament. If this had only happened once, one could have excused it.

On February 4 the following matter was raised by the hon. member for Oxford (Mr. Nesbitt). Incidentally, I want to point out that the minister was advised that I was going to speak about his conduct as I never speak about anyone in a critical manner unless that person realizes that I am going to speak about him. This is what the hon. member said:

> Possibly there is an excuse for the minister's absence this afternoon. We are told that all day tomorrow as well, the minister will be gallivanting, or perhaps attending to important business, out west visiting Indian reservations. There is just no excuse for this. It is the minister's duty to be in the House when measures as important as this are presented. No one would object or complain about his absence. What we are complaining about is the fact that when this major piece of legislation is presented he is not here.

I seldom speak except on matters that I feel affect the prerogatives of this institution. I have never in 30 years seen Parliament treated with the egregious contempt that is being shown to Parliament by the present administration. There is a complete disregard of this institution. Indeed only the other day the Prime Minister (Mr. Trudeau) said that these are the kinds of things that bring about the republican system of government. What we are facing is the degradation of this chamber. Debate no longer continues as it did over the years, nor does exchange of opinions and differences, with the minister listening to the suggestions made and then acting, if he decides that they are worthy of consideration, to make possible amendments.

I dislike comparing Parliament today to what some have compared it, but under the present Prime Minister Parliament has been compared to a cemetery operated by its own occupants. That is a direct allegation that this institution is being bypassed.

The hon. member for Vancouver Quadra (Mr. Deachman) made a suggestion for the creation of a marine park which is worthy of consideration. He did it in a most exemplary way, but toward the end of his remarks he said he hoped that when this bill found its way into committee the committee would be able to listen to witnesses and make recommendations. Sir, the committee system which

was introduced about a year and a half ago in its present form has been virtually emasculated by executive control.

Some hon. Members: Hear, hear.

Mr. Diefenbaker: One hon. member present in the House at the moment himself pointed out that a direction was given to the Liberal members of a committee to do that which the government wanted done. We can think of another recommendation which came in from one committee having to do with northern waters and northern sovereignty, and when the government expressed its dislike for it, it died.

Mr. Deputy Speaker: Order, please. I am sorry to interrupt the right hon. gentleman but I am having great difficulty in reconciling his present line of argument with the subject matter of the bill before the House. It seems to me that one of the difficult tasks which a Speaker has is to try to enforce in some measure the rule of relevancy. The rule is straightforward, that on second reading we should be dealing with the principle of the bill. The hon. member is much better aware of the rules than I am, and I appeal for his co-operation.

Mr. Diefenbaker: I am building my argument, Mr. Speaker. I am going to point out clearly and definitely that what is being done here, in essence, is to establish a corporation for the purposes set forth in this act to be known as the National Parks Leaseholds Corporation. It is simply a transparent subterfuge to substitute a soulless corporation for those human elements that are necessary in connection with these parks.

I was saying that Parliament is being treated with contempt. If I may ask, with the greatest of deference, since when has it become irrelevant to point out that Parliament is being degraded as a result of the action of the minister, similar as it is to actions taken by other ministers? Surely, may I say with all the deference in the world, we have not yet reached the point in this Parliament that we dare not say of them over there that they are destroying this institution.

Some hon. Members: Hear, hear.

Mr. Diefenbaker: I have mentioned the minister. Let us find out some of the things that he said. I was very much interested in the attitude that he took toward the people of Banff who made representations to him and pointed out the injustice of what was being done. What did he tell them in answer? He told them, in effect, to go to a warmer climate than is to be found in Banff. He told them that he would pay no attention to them. He made it perfectly clear that no matter what their objections were they were going to accept the dose that he and his bureaucrats had concocted and that, regardless of their views or opinions, these measures would be put into effect. He said: "You can either accept or get out". Is it parliamentary practice for a minister of the Crown, a servant of the people to say to the people of Banff: "If you do not like it, get out"? Surely, this can never be described as democracy in action.

What did the minister do at Jasper? What he said in effect was: "If you do not like it, move out". The summary of what he said is as follows:

> Chrétien also told us, point blank, that if we aren't prepared to toe the line and evidently accept willy nilly the dictates of the department, of which he is the political head, we can "get out"—

• (4:20 p.m.)

Mr. Honey: On a point of order, Mr. Speaker, I wonder could the right hon. gentleman indicate from what he is reading?

Mr. Diefenbaker: I beg your pardon.

Mr. Honey: Would the right hon. gentleman indicate from what he is reading?

Mr. Diefenbaker: Mr. Speaker, I am reading from a complaint from one of those people who has been tragically treated in the town of Jasper.

Mr. Honey: Identify him.

Mr. Diefenbaker: If the parliamentary secretary has not seen the letters from Banff and from Jasper, then I doubt whether he has all the qualifications necessary to pilot a bill through the House of Commons that destroys contractual rights. You see the reason—

Mr. Honey: Mr. Speaker, on a question of privilege, I asked the right hon. gentleman if he would identify the letter from which he was reading—

Mr. Diefenbaker: I have already identified it.

Mr. Honey: —under the rules of this House.

Mr. Diefenbaker: Under the rules of this House? That is only when I quote portions from it. Is the hon. gentleman starting to teach me rules?

Mr. Honey: Well, Mr. Speaker, on a question of privilege—

Mr. Deputy Speaker: Order, please. If I might just clarify my understanding of the situation, the document the right hon. gentleman is referring to is not a public document. He is not obliged, as I understand it, to go beyond what he has done. It might be a question of courtesy, but that is a matter of judgment for hon. members. I am certainly not in a position, if I correctly interpret our practices, to require the right hon. gentleman to name the person who has written the private letter.

Mr. Diefenbaker: If the hon. gentleman wants it on *Hansard*, I will have the whole letter put on, since it sets out clearly and definitely the arbitrary injustice and tyranny which is being perpetrated. Does he want the whole letter on *Hansard*?

Mr. Honey: Mr. Speaker, I have no idea of the contents of the document or letter from which the right hon. gentleman is quoting. He quoted parts of it, and I think it would be reasonable for the right hon. gentleman to identify it. That is all I ask.

Mr. Diefenbaker: Oh, yes, running away, because the hon. gentleman knows that what I have before me is a document that sets forth in clear and definite words the situation whereby an agreement entered into solemnly, a contact, is to be set aside by the government of Canada, and in order to get the government off the hook a Crown corporation is being set up. The hon. gentleman is very anxious for me to read from this and I would be glad at any time to place it on the record, perhaps on the next interruption.

It deals in particular with the amount that national park residents pay on their leaseholds, as distinct from freehold.

National park residents pay on their leaseholds (as distinct from freehold) the annual rentals set by the department responsible. From inception 1914 or thereabouts, the annual rentals for all lots were $10.00 and $8.00 per annum for corner and inside lots respectively. There is a clause in the lease which calls for a revision every ten (10) years starting in 1920...No increase in annual rental was suggested or made in 1930 nor in 1940. However, in 1950, when the affluent society began to appear the rentals were raised 50 per cent and no one protested. This brought the annual rental to $15.00 and $12.00 respectively for corner and inside lots. 1960 saw no increase in the older leases—

And they continued at that rent.

Now, this bill provides:

National Parks Leasehold Corporation—to develop, manage and maintain property in the parks, the direction of the administration, management and control of which is entrusted to it—

The land rentals on the older leases, some of which have been renewed for a further period of 42 years and paying an annual rental of $12.00 or $15.00, or proportionately higher should two lots or a portion of a lot be included in the lease, now find themselves saddled with varying amounts from $81.00 to $2,880.00. The lot assessed at a fee of $81.00 is located between the Post Office and the Athabasca Hotel...The $2,880.00 lot and one half (1½ lots) was originally leased as a residential lot and is used as a residence by an elderly retired banker who has resided for the greater part of his life here. This lot is now zoned commercial.

Not a few lots have been elevated to $225.00 mostly occupied by elderly or retired citizens or people of the labouring class—people on fixed incomes, verging on the poor bracket. The percentage increase in the case of the last mentioned is 1,900 per cent if you please.

The letter goes on to deal with this.

Contracts that are made and solemnly entered into ought not to be broken by the government of Canada. There is no doubt, as the hon. member for Pembina (Mr. Bigg) said, arrangements could have been made to bring about some agreement, but nothing of that kind was done.

Let me read now from the Calgary *Herald*, of January 16, 1970:

If residents of the townsite of Banff don't like living under federal administration, they can leave, Jean Chrétien, Minister of Indian Affairs and Northern Development, said Thursday.

Mr. Chrétien said in an interview nobody is obliged to live in the park and if they don't like the situation "they can drive east or west and they won't have to live in the park."

Wasn't that the height of courtesy? What colossal impudence and arrogance, only exceeded by the fact that when his bill is before the House the Minister stays away. This is the kind of treatment that the Eskimos are getting up north in Ungava. They are being pushed around by this minister as though they were cattle. Their constitutional rights are stepped on. This is the minister who no doubt says to those poor Eskimos up there, "If you don't like it, get out." And that is what some of them are doing. They are trying to keep their constitutional rights by living in the territories. Mr. Speaker, I read on:

Residents of Banff, who have to lease their land from the government, have complained that the cost of leases has risen and, in some cases, leases have not been renewed. They are also complaining about a tax increase.

Mr. Chrétien said they had no right to complain because they haven't invested money in the land anyway since they haven't had to buy it.

That was not the attitude of another minister occupying that portfolio, who is the Minister of Public Works (Mr. Laing) today. When he, with his knowledge of Parliament and his appreciation of equities, was in the position of the minister there was none of that type of thing in dealing with fellow Canadians—"If you don't like it, get out." I presume that is the reason the Minister of Indian Affairs and Northern Development got out today, because he did not like the possibility of hearing any criticism.

If what the goverment is doing, through that minister, to the Eskimos were done anywhere else in the world there would be marches in Canada. They are only a few, so they get stepped on and treated in the most egregious and contemptuous manner in the same way as these people in the parks. That is why I rise, Sir, to ask, is there any possibility of any change in this bill? Will there be alterations made as a result of discussions? Only if the govenment agrees. If the committee dares bring in any recommendations that have not been accepted by the minister, what will happen to them? You and I know they will receive that cavalier treatment which was so brilliantly enunciated, and in such eloquent language, by the hon. member for York West (Mr. Givens) who referred to members of the House of Commons in terms of bovine anatomy by saying, we are just as useful as an udder on a bull. I must say that never has this Parliament received a more cryptic and correct description than the hon. member's words the other day. I am not acquainted with bovine peculiarities but taken at face value, what he said indicated that, even though he is a citizen of the city of Toronto, he knows his bull.

• (4:30 p.m.)

To sum up, as far as those two parks are concerned there has been a scandalous, inexcusable disrespect shown and a contempt of Parliament. The people living in these parks are entitled to be treated as human beings. What business is it of any minister to say, "If you don't like it there, get out." All I can say is that if he continues to treat other Canadians in the way he is treating the people in those two parks, and the Eskimos, possibly he has a solution for himself in those words.

Seriously speaking sir, is this Parliament to be treated as though it belonged to the government of Canada and to a minister? The Eskimos write, but they are not heard. They are being denied their constitutional rights as the people in those two parks are being denied their contractual rights. It does not matter how they object, what is stated will be carried out.

We have not heard the last of what is being perpetrated on those Eskimos. I want to hear that discussed. I want to find out why, under the Bill of Rights which is now in effect and superior to any statute passed since 1867, human beings belonging to a primitive race with unusual abilities, who are Canadians equal to the rest of us, are to be stepped on, sneered at and given no equity or justice. They are going to be consulted but they do not have to approve.

In other words, the minister or those who are sent up there will say to the Eskimos, "This is what we are going to give you. Do you like it?" If the answer is no, then they will be told, "Well, you can get out". That is what he said to the people of Banff and that is what he said to the people of Jasper.

I recall the words of a great parliamentarian, Mr. Speaker, one of the greatest that ever was in this chamber. I heard him speak when I first came and I quote his words:

> It is the will of Parliament, not that of the government that is the will of the nation. When the Prime Minister says that he speaks for the whole of the country, he is mistaking the echo of his words for the voice of the Canadian people. It is Parliament which is and must remain the authorized exponent of public opinion and of the public will.

Sir, Parliament is being treated as a puppet by this minister. The people who will come under the control of this Crown corporation will have lost their rights. Just imagine a soulless corporation giving any consideration to those moral and emotional things, to legal rights, when the minister says, "Whatever your legal rights may be you are not going to be able to assert them." This bill constitutes, as the attitude of the minister shows, a further example of what I have contended is taking place. Parliament is being downgraded, undermined; its basic mission of freedom is being subverted. It is time we in this House realized what is taking place as day by day and week by week members are treated with a disregard not in keeping with the words of the Right Honourable Ernest Lapointe which I just quoted which, in epitome, represents the actuality of Parliamentary responsibility.

Some hon. Members: Hear, hear.

Mr. Honey: Mr. Speaker, I wonder if the right hon. gentleman would permit a question?

Mr. Diefenbaker: Surely.

Mr. Honey: Would the right hon. gentleman agree with me that it was his government which, between 1958 and 1962, ended leases in national parks in perpetuity and limited the longest term to 45 years or 42 years?

Mr. Diefenbaker: Mr. Speaker, that has been answered over and over again by the hon. member for Brandon-Souris (Mr. Dinsdale). These myths may satisfy the hon. gentleman, but they do not represent the facts.

Mr. Dinsdale: On a question of privilege, Mr. Speaker. I am pleased that I was in the House to hear an outstanding legal presentation of this matter. My friend, the parliamentary secretary continues to deal in—

An hon. Member: Lies.

Mr. Dinsdale: —innuendo, insinuation and terminological inexactitudes. Mr. Speaker, I think I am entitled in this regard to indicate precisely what the situation is. I will have to do it by being fairly specific on the matter. The information should be in the hands of the parliamentary secretary. He is purporting to conduct this legislation through the House and the information is available from the department responsible for these matters. In 1958, a moratorium was declared on any further alienation of national park land until such time as the development policy could be reviewed in each of the western parks and plans to meet the high standards of national park development presented to the people of the parks themselves, so that they might decide and comment on any proposals.

The question of perpetuity of existing leases when they came up for assignment or renewal became a matter of controversy in 1962. At that time, it was decided that there would be no interference on assignment with the government guarantee of perpetuity. Furthermore, it was decided that the question of perpetuity on lease renewals would not be dealt with at this time. Rather, renewals were for 42 years plus 21 years open-ended. By that time, the whole matter would be reviewed and this fundamental principle guaranteed by the Canadian government would have come under consideration. The policy which cancelled perpetuity came in 1963, after the change of government.

Mr. Laing: We have the order in council.

Mr. Deputy Speaker: I am prepared to recognize the parliamentary secretary but I would like to voice one misgiving here. I recognized the right of the hon. member for Brandon-Souris (Mr. Dinsdale) to clarify a point on which he feels there has been misrepresentation. On the other hand, I am concerned that we are now approaching debate on the matter and as the hon. member for Swift Current-Maple Creek (Mr. McIntosh) suggests, I am trying to allow the record to be corrected without getting into debate. In this regard I would seek the co-operation of members.

Is the parliamentary secretary rising—

Mr. Honey: On the question of privilege raised by the hon. member for Brandon-Souris (Mr. Dinsdale), Mr. Speaker. If I had the leave of the House, perhaps I could table two orders in council.

Mr. Diefenbaker: That is not a question of privilege.

• (4:40 p.m.)

Mr. Honey: On the question of privilege, Mr. Speaker, if my right hon. friend wishes me to, perhaps I might refer to the Orders in Council. The first Order in Council is SOR/58-330 and is dated August 7, 1958.

Mr. Diefenbaker: Mr. Speaker, on a point of order, may I say that I do not object when the hon. member tries to fill in the record, but his remarks have nothing to do with any question of privilege.

Mr. Deputy Speaker: I am inclined to agree. I must say I am having misgivings about the original question of privilege. I am trying to be as fair as possible to both sides of the position. Perhaps the parliamentary secretary would like to seek leave—

An hon. Member: Let us have the proof.

Mr. Deputy Speaker: Order, please. I think the parliamentary secretary originally wanted leave of the House to table the two Orders in Council. Perhaps that would be our simplest procedure, if there is consent.

Mr. Nesbitt: On a point of order, Mr. Speaker. The parliamentary secretary will speak when he closes the debate. He will then have an opportunity to make a full reply to questions asked and to make a statement.

Mr. Bell: Bring the minister in and let him make a statement.

Mr. Honey: On a point of order, Mr. Speaker, since there is no unanimous consent for the tabling of the Orders in Council, perhaps I could refer to them briefly.

Mr. Deputy Speaker: I have not yet put the question to the House. Is there unanimous consent for the tabling of the Orders in Council?

Some hon. Members: No.

Mr. Deputy Speaker: There is not unanimous consent.

Mr. Bell: The minister should come to the chamber and table them.

Mr. Deputy Speaker: Order, please. The parliamentary secretary wishes to rise on a question of privilege, I see. I have some misgivings about the position in which we are. However, the Chair will recognize him on a question of privilege.

Mr. Honey: May I point out, Mr. Speaker, and I am speaking to the question of privilege of the hon. member for Brandon-Souris, that the first Order in Council I referred to provides that section 3 of the National Parks General Regulations is revoked and the following substituted therefor:

Where the value of a lot, exclusive of buildings and improvements, in a townsite or subdivision is less than five thousand dollars, a lease of such lot for any term not exceeding forty-two years may be granted . . . by the Minister—

And so on. The next paragraph deals with a parcel of land exclusive of buildings and improvements outside a townsite or subdivision which is worth less than $5,000. The term is not to exceed 21 years.

The second order in council I beg leave to refer to is SOR/62-78 dated March 1, 1962. It provides as follows:

Subsections (1) and (2) of section 3 of the National Parks Regulations are revoked and the following substituted therefor:

3. (1) The Minister or an officer of the Department of Northern Affairs and National Resources authorized by the Minister may grant a lease for any term not exceeding forty-two years, with an option to renew for a further term not exceeding twenty-one years—

Mr. Nesbitt: On a point of order, Mr. Speaker. I should like to know if this sort of circus we are witnessing—

Mr. Deputy Speaker: Order, please. I am prepared to hear the hon. member on a point of order but I was about to rise myself. I again say that I have doubts about the procedure we are following at this point. As I said at the outset, I have tried to be as generous to both sides as is possible; perhaps I have been too generous. Perhaps the parliamentary secretary might like to refer to this matter when he closes the debate. At this time, the Chair recognizes the hon. member for Kootenay West.

Mr. Dinsdale: Mr. Speaker, may I raise a further question of privilege.

Mr. Deputy Speaker: Order, please. I will hear the hon. member on a question of privilege. Would the hon. member kindly resume his seat? However, I should not like to see the present discussion continue, for the very reason I have suggested. If the hon. member wishes to raise a question of privilege, the Chair will hear him.

Mr. Dinsdale: On my question of privilege and as a point of clarification, may I say that what the parliamentary secretary has indicated is what I said. He confirmed what I said. The question of perpetuity was never violated. The rights of the citizens were taken into consideration because they had been granted by the Crown. The alienation of new lands is another matter.

Mr. Deputy Speaker: Order, please. The hon. member for Kootenay West.

Mr. Randolph Harding (Kootenay West): Mr. Speaker, I had hoped to conclude my remarks by five o'clock but I am afraid I shall have to adjourn the debate at that time and deliver the remainder of my remarks during the evening session. Bill C-152, which is before the House this afternoon, amends the National Parks Act. Actually it is a heavy looking document of some 48 pages, most of them taken up with giving us a detailed description of the boundaries of our national parks which are, of course, mentioned in the amending legislation. I find that clause 3 suggests new ideas for park management and would create a corporation known as the National Parks Leasehold Corporation. This actually would be a Crown corporation which would develop, manage and maintain property in the national parks of Canada. This change from existing policy seems to be of doubtful value and could lead to major headaches in national parks development. This new Crown corporation will consist of a president, vice-president and five other directors, each of whom will be appointed by the governor in council and hold office for a term not exceeding seven years. They are all eligible to be re-appointed.

I note in one of the clauses a very interesting stipulation that a director ceases to hold office on attaining the age of 70 years; this

provision apparently does not apply to the president or vice-president. It seems to me that the retirement ages of officials staffing this new Crown corporation should be the same as that for civil servants. I do not see why someone should hold a position in a corporation until he is 70 years old or older. This is something the committee might well look into.

Another real danger that could arise from the proposed change in jurisdiction is that an increasing degree of commercialization of our national parks could well take place. The corporation's need for funds with which to cover operating expenses could lead to its granting commercial concessions not in keeping with the aims and objectives set out in our National Parks Act. Once we lose the power of scrutiny in the House of Commons, we shall no longer be able to fulfill our role as watchdogs over our national parks development. We are creating a Crown corporation which we shall have little power to scrutinize. I view this development with a great deal of apprehension. It seems that perhaps members of this House will lose a rather precious right, the right to criticize and direct policy so far as our national parks development is concerned.

I am of the opinion that the House of Commons is gradually exercising less and less responsibility over many fields of public endeavour. I regret this trend in government because we are reaching the point of losing control over the public contact with another of the key organization in our society. In this case, the new Crown corporation will not be answerable to the House for its actions with regard to park development. None of the Crown corporations are. We might be able to criticize development, but the Crown corporations are not answerable to us for the policies and programs which they are going to carry out. There is no doubt, Mr. Speaker, that very capable individuals will serve as directors of the corporation, but I personally feel the move is fraught with many dangers as far as our future park policy is concerned.

• (4:50 p.m.)

I feel this is the time to speak out and let my views be known. I have always been interested in conservation. Over the years I have seen some extremely short-sighted moves in relation to our provincial and federal parks. On the whole, our national parks have, in my opinion, been much better managed than the provincial parks. There might be some dispute on this score with those in the provincial field, but I believe that our national park service has been run much better than its provincial counterpart.

Canadians must at all times be constantly on guard to ensure that commercial interests do not pressure the politicians at all levels of government to give up some of our present park reserves or try to stop other reserves from being set aside. This has happened in the past and is happening in Canada today. I have seen large logging and mining interests persuade provincial governments to change the boundaries of some of our parks so that some mineral or forest wealth could be available to them for exploitation.

Pressure has already been put upon those in the federal jurisdiction with regard to potential reserves being put aside for park purposes. Unless we are strong and determined enough to resist this commercial pressure, and in many cases government apathy, Canadians will find in a very few years that our park reserves and resources are insufficient to meet our needs. I feel that full and adequate plans for park reserves must be made now. These plans must be made in relation to Canada's expected growth over the coming generations and our ever-increasing need for recreational areas.

I wish to deal with several specific aspects of park development which are related to this bill. I believe they should be raised at this time. There is a great need in Canada today to set aside additional areas for park purposes. There are different classes of parks and I believe we should add substantially to each class. However, I wish to mention specifically one class of park which has been sadly neglected by all levels of government. I refer to the wilderness parks which should be preserved in their natural state for all time.

There is an urgent need in Canada today for more of these wilderness areas to be set apart in every Province of Canada. It is essential that an undisturbed area of our Canadian heritage be preserved if we are to be able in the future to really see what Canada was like in the early days. These areas would serve as sources of study for our scientists and naturalists in the years to come. They will perhaps be the last refuge of many of our present forms of wildlife and plant life.

The national parks which I envisage, Mr. Speaker, would include the best terrain possible for this type of park. I should include those areas which have unique Canadian flora and fauna. If there should be conflicting

interests in these areas, which are rapidly disappearing, I feel in most cases the national interest would be best served if the area were set aside for park purposes. If we are to preserve wilderness areas for future generations, we must move quickly. For example, choice areas in the Northwest Territories must be dedicated now to park purposes.

We must also negotiate additional areas with the various provinces. The natural historical needs of the Canadian people must be protected and secured by immediate action on this important measure of resource conservation. Today, Mr. Speaker, about 2.8 per cent of our total area is reserved as national and provincial parks. In my opinion this is not enough. Let us not be placed in the embarrassing position of having to buy back park resources which we should have had the good sense to preserve in the first place. All we have to do is look around in every province of Canada and we will find we have sold natural park areas which should have been preserved. Today, we find that the recreational facilities which we need in the provinces have been sold to private interests. Both the federal and provincial governments are in the embarrassing position of being forced, on many occasions, to buy back choice pieces of land, possibly to give public access to some of the lakes for recreational purposes.

I have one or two other specific items with which I would like to deal. This is a good place to stop if Your Honour would like to call it five o'clock.

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Deputy Speaker: It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised at the time of adjournment tonight are as follows: the hon. member for Hillsborough (Mr. Macquarrie)—trade—radio and television tube imports—threat to Canadian industry; the hon. member for Palliser (Mr. Schumacher)—veterans affairs—effect of closing of Veterans Land Act offices outside big cities; the hon. member for Winnipeg North (Mr. Orlikow)—unemployment insurance—commission advertisements respecting fraud.

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. Harding.]

Mr. Forest: At the request of the two hon. members who have presented the first two bills appearing on today's Order Paper, we are prepared to stand them and proceed with Bill C-29 in the name of the hon. member for Brant (Mr. Brown).

Mr. Deputy Speaker: Is that agreed?

Some hon. Members: Agreed.

PRIVATE MEMBERS' PUBLIC BILLS

CANADA DAY ACT

MEASURE TO SUBSTITUTE "CANADA" FOR "DOMINION"

Mr. J. E. Brown (Brant) moved that Bill C-29, respecting Canada Day, be read the second time and referred to the Standing Committee on Justice and Legal Affairs.

He said: Mr. Speaker, Bill C-29 which I am moving today is a short, simple bill which has the effect of repealing the Dominion Day Act and substituting therefor the Canada Day Act. The bill merely substitutes the word "Canada" for the word "Dominion" as it appears in the present Dominion Day Act. The bill also provides that Canada Day shall be kept and observed as a legal holiday on the first Monday of the month of July in each and every year.

• (5:00 p.m.)

During the summer recess I was approached by a group of my constituents, members of the Junior Chamber of Commerce of Paris, Ontario, and asked whether I would support a bill of the nature I am introducing this afternoon if it were brought before Parliament. I immediately undertook to find out whether there was such a bill set down on the Order Paper at the commencement of the session. I found there was no such bill, so I have no hesitation in moving one myself and submitting it, as I am doing this afternoon, for the consideration of the House of Commons in the hope that if hon. members agree it will be referred to the Standing Committee on Justice and Legal Affairs.

I feel that the bill keeps July 1 of each year in its present perspective, as it is looked upon by a large majority of the people of Canada who would like to feel we have a day called Canada Day, a day set aside each year at which time we could celebrate Canada's birthday, its creation, its formation. I believe

it would give to every Canadian a sense of pride, if you will, a sense of importance of our country as an entity in the world. So, Mr. Speaker, I have no hesitation whatever in moving the second reading of this bill and submitting it for the favourable consideration of the House.

Mr. J. Edward Broadbent (Oshawa-Whitby): I should like to make a few brief observations on this bill, one with which I am largely in sympathy. It seems to me we must do one simple, clear-cut thing at this time in Canada's history in relation to our national day, and that is, remove the anachronistic term Dominion Day, appropriate in my judgment for many years when it was associated in the minds of so many Canadians with a particular and close relationship with Great Britain. In my judgment, both constitutionally and in the general attitude of the people, this issue of filial loyalty has passed. Thus, one evident virtue of the hon. member's bill, is the suggestion that we call the day what in fact it is for most Canadians—Canada Day—and drop the once appropriate but no longer appropriate term "Dominion".

What would the passage of this bill accomplish? Right now it would add a small, perhaps, but hopefully relevant impetus to a legitimate sense of national pride. I do not like to over-emphasize the virtues of nationalism because no one with a sense of history can forget that the virtues of nationalism tend very often to turn into the vices of something quite different. But it seems to me that in our country we have for far too long been quiet Canadians, if you like. For far too long have we sat back and looked with a particular kind of grudging admiration upon our more boisterous and aggressive neighbours to the south, contenting ourselves with a quiet, smug satisfaction at being different. It appears to me that this is more an expression of some form of masochism, or the lack of a proper sense of identity, than anything else. Perhaps more than at any other time in our history, this is the moment to assert ourselves as a national entity—particularly when we see our economic sovereignty being gobbled up almost on a daily basis, again by no deliberate malicious act on the part of our southern neighbours but as a result of aggressive action on their part and acquiescent behaviour on ours. It is time we as a nation stood up for what most other nations take for granted, namely, the full and unqualified control of our national resources and geographic boundaries. It is time, too, we began to convey to those who are growing up in this country a sense of legitimate pride in what it means to be a Canadian. One of the first steps in this direction would be to call Canada Day Canada Day. One does not want to exaggerate the significance of such a step, and the hon. member who put forward this bill did not do so.

The traditions of this country are not those of the country to the south. Ours is a multiracial tradition, one which has tried to preserve and not to obliterate certain racial distinctions. It has in the main been a peaceful tradition. It has often been thought that somehow Canada missed out by not participating in the glorious adventure—it was really a tragedy of the civil war. Many Canadians, including, unhappily, a number of historians, have lamented our peaceful tradition. But I am not one of those who think this is something of which we ought to be ashamed. Indeed, I believe it is something of which we should be proud.

• (5:10 p.m.)

I shall not go on extolling the virtues of what it means to be a Canadian. This could more properly be done on Canada Day. I should like to disagree with part of the proposal put forward in the bill by the hon. member. I have a private bill on the Order Paper, which hopefully will be reached later this session, the greater part of which is similar to the bill presently before the House. However, there is one difference, and I think a significant difference: the bill before the House proposes that Canada Day be celebrated on the first Monday in July.

On balance, I do not think that is a good idea. There are certain days for celebrating events which we never change because we feel they have a certain historical and symbolic significance. I suppose Christmas is the most outstanding example of this. No one, to my knowledge at least, has ever proposed that we begin the celebration of Christmas on the third Monday of December, for example. This is because, for Christian civilization, the birthday of Christ has a particular significance which we are not going to change just to coincide in some convenient way with our holiday plans.

I do not want to suggest that in terms of significance the proposed Canada Day has the same historical import as Christmas day, but I do suggest that it is analogous in importance. Canada Day should be a day for Canadians to

enjoy, certainly; but it should also be a day during part of which there are appropriate opportunities for politicians and others in the community to reflect in a serious way on what it means to be a Canadian; to reflect upon what we would hope to do with this nation of ours in the years ahead. Therefore, I suggest we should heighten its significance in contrast or comparison with other holidays that fall on the first Monday of the week and which are appropriately enjoyed by us all. We should make a distinction in terms of our holidays, and Canada Day should be set apart so that it falls on July 1. We should celebrate the event on the day it occurred.

For some this is, perhaps, a minor point, but for me it has a significant, symbolic difference. If our July 1 celebration fell on the first Monday of July every year, then I think the tendency would be very great indeed for all of us simply to treat it as another long weekend. Indeed, as suggested to me by the hon. member for Winnipeg North Centre (Mr. Knowles), it is quite possible that in the very near future the first Monday in July would fall on July 4. In that event, we would have the grand possibility of having a joint celebration with our United States friends. As a Canadian with some sense of genuine pride in our past, I do not think that for sake of the convenience of a long weekend it is appropriate for us to have our holiday coincide with that of our U.S. neighbours. Let each of us celebrate our own traditions in our own way and on different days. I am sure that no American would suggest that the July 4 holiday be changed so that it would be celebrated on the first Monday in July.

Therefore, Mr. Speaker, although I am in general agreement with the provisions of this bill—I think it is a sensible measure, the general intent of which should be speedily approved—I do not agree that we should switch our celebration from the first of the month to the first Monday of July. Incidentally, it is worth drawing the attention of the House to the fact that a similar bill was passed by this House of Commons some 20 years ago. It passed through all three readings. However, I am informed that when it reached the other place, that deep and musty other chamber, it was turned down, and in the intervening period the idea progressed no further.

It is my hope that before the end of this session, if not this bill then some similar bill will not only pass through the House of Commons but get through the other place as well. In that event, in the very new future Canadians will have not a Dominion Day, which reflects the old tradition, but a Canada Day which more accurately reflects the desires and modern traditions of the current generation of Canadians.

Mr. Ralph Stewart (Cochrane): Mr. Speaker, I was delighted to hear the hon. member for Brant (Mr. Brown) introduce his bill to call our national day Canada day, and I consider it a privilege to be able to speak in favour of the bill. I am in favour of any measure which brings home to our young people in particular the love of country and sense of patriotism which I think in past years has been lacking.

I always like to refer to such things as our oath of allegiance, our flag and other symbols of Canadianism. However, I deplore the fact that when my little boys take their oath of allegiance in Cubs and Scouts no mention is made of our beloved country. It seems to me that things like that are important in the development of our young people and in their patriotic outlook toward their own country.

Certainly, the idea of a national day called Canada Day is the kind of thing that strikes a happy note with me. To some, Dominion Day represents certain things; it may denote other things to others. The same problem is encountered with our national anthem. Many people in years gone by really have not known exactly what our national anthem is. Many people today do not know what the first of July represents. Some refer to it as Confederation day; others call it Dominion Day, and many even call it Canada Day, though this bill has not been passed.

I think the time has come to clarify the situation in some positive way. As the hon. member for Oshawa-Whitby (Mr. Broadbent) pointed out, I think the word "Dominion" denotes something from the past, something that we do not need in Canada anymore. I believe there is even a note of subservience attaching to it. This would be eliminated by changing the name of our national day to Canada Day.

I ask the House to pass this bill on second reading, to send it immediately to committee, and not to talk it out. In this way we could get a private member's bill that is really sensible through the House and passed into legislation. We hear so much about the inadequacies of backbenchers. It is said that backbenchers cannot put measures forward, that if they do so they are cast aside. Let us show that this is

not the way things are done in the House of Commons. Let us show that when we want to we can put legislation through, especially when we believe in it. I, therefore, ask the co-operation of all hon. members in this regard, and I ask the House to pass the bill as quickly as possible.

• (5:20 p.m.)

Mr. R. N. Thompson (Red Deer): Mr. Speaker, this bill proposed by the hon. member for Brant (Mr. Brown) is of great interest to me. I listened intently to his remarks and those of the preceding speakers. I have one point of argument with the hon. member for Cochrane (Mr. Stewart). He insinuated that no private member's bill which appears before this House is really sensible. I certainly do not believe this is true. I think there are some pretty wonderful suggestions brought before this House which often make more sense than some of those coming from the government benches. I wish the House would pay a little more attention to some bills presented by members because this would encourage backbenchers to bring some positive ideas before the House which somehow seem to have difficulty in finding their way here in the form of legislation under government sponsorship.

Having said that, Mr. Speaker, through you I should like to say to members of the House and the hon. member for Brant, I believe this to be a very timely bill. There has been a great deal of confusion about July 1 which actually is our founding day. For many years it has been called Dominion Day. This suited very well the situation which existed then. However, times have changed and our status constitutionally has changed. I think this bill is merely an effort to keep up with what has already taken place. It would seem to me that if we could remove the confusion which exists in the thinking of many of our people we would be performing a real service to our country. I believe this applies particularly to the young people of Canada. July 1 is our national day already and there is no better way to define that national day than by calling it Canada Day.

I find myself a little perplexed concerning whether or not this holiday should be celebrated rigidly on the first of July, regardless of the day on which it comes to pass, because I believe there is some merit in the suggestion of the hon. member for Oshawa-Whitby (Mr. Broadbent). However, I recognize there is also merit in having this holiday on the first Monday in July in order to provide a long weekend, which usually is the first major holiday after the closing of school. I believe this is something the committee could profitably consider. I would hope members on the government benches at this time would permit the bill to be referred to the committee where it might receive detailed study. I say this as an expression of support for the principle of the bill and commend the hon. member for Brant for bringing it before the House.

[*Translation*]

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, I shall be brief, because I hope the bill introduced by the hon. member for Brant (Mr. Brown) will be agreed to and referred to the Committee on Justice and Legal Affairs.

I just had to take the floor to congratulate the mover of the bill, who had the opportunity to introduce it in the House. As a matter of fact, I put a similar item on the order paper, on a few occasions, but the draw did not go my way, whereas the hon. member for Brant was a little bit more fortunate.

I am glad to note that the bill is apparently getting support from all hon. member, at least from all those who have expressed their opinion so far, and I hope it will pass.

It shows an improvement over other similar bills as it sets this legal holiday on the first Monday in July, allowing for a long week-end during the vacation period, whereas at the present time the holiday is on the first day of the month which often falls in the middle of the week.

I feel that this bill should be adopted. As mentioned by the hon. member for Oshawa-Whitby (Mr. Broadbent), I believe it was passed by the House in 1946 but referred to the Senate at the end of the session too late for the upper house to render a decision on it. So it was left pending.

I feel that the word "Dominion" now in the act has a colonial connotation and is obsolete. It is now confusing because that holiday is often called "Dominion Day" or "Canada Day" or even "Confederation Day". I believe it would be well to make a real national holiday of it, called "Canada Day".

Specially since the adoption of the statute of Westminster I feel the word "Dominion" is no longer justified. Actually, we have become a completely free and independent nation, a self-governing community which freely and voluntarily joined the British Commonwealth.

The word "Dominion" having a colonial flavour involves a concept of domination, and we want neither to dominate anyone, nor to be dominated by anyone.

We shall thus have the opportunity to express, as citizens of a free and independent nation, our pride in being Canadians, and to proclaim it through all possible means.

Symbols have some importance for expressing this national pride. As it has already been stated, we, Canadians, are somewhat timid when it is a question of showing our national pride.

The Canadian government has taken a few steps in the right direction by adopting a national flag. I hope that the national anthem shall be officially adopted soon and that the creation of Canada Day will afford us another opportunity of showing our national pride.

Symbols are of some value and I am happy to note that the House appears willing to co-operate by proclaiming the first of July as "Canada Day". I hope that the House will agree to this.

[*English*]

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I enjoy very much participating in private members' hour and congratulate those who have the initiative and interest to bring forward suggested legislation. In this instance, however, I am of the opinion this measure clearly demonstrates that progress and improvement cannot always be equated. I listened with interest to the last speaker and his reference to our not being a colony. He is quite right. I believe it is important to bear in mind that as this country moved from a subservient and sub national status to full fledged nationhood it was following the path, as one great historian has written, from colony to nation. I am sure that changing the name from Dominion Day to Canada Day will not, of itself, enrich the celebration. We should bear in mind what we celebrate on July 1. I am not one of those who believe we must shift around from Monday to Monday. I would be embarrassed if we were to celebrate our national day on July 4.

• (5:30 p.m.)

I think that we should celebrate the day on a specific date rather than try to fit it in following a convenient weekend. A national day in any country reverts back to a time of great achievement. In some countries it is a revolutionary episode such as the taking of the Bastille or the signing of the Declaration of Independence. The great moment in Canadian history, one which reflects its unique character among nations, is surely that it has achieved nationhood by peaceful means, by the getting together of different communities; and since they happened to get together in the city which I have the honour to represent, I feel very strongly about the idea that in 1867 a new country was created, one which was not called Canada. There were provinces before that called Canada. The new entity was a new political society which was called the Dominion of Canada.

That was our unique contribution to statecraft, and it was a contribution of which no historian need be ashamed. The Fathers of Confederation were builders in every sense of the word, men of vision, men of compromise and men of political genius. This is the day which we honour and the day on which a new country was formed. It is a uniquely Canadian expression and we are constantly looking for these things. It has nothing to do with subservience. We are told that it is based upon the experience of one of the maritime leaders, who was naturally one of the most religious men at the London Conference, who was inspired by what he read in the 72nd Psalm: "He shall have dominion also from sea to sea and from the river unto the ends of the earth".

In Latin our motto reads: "A mari usque ad mare". Canada grew from its beginnings in Charlottetown, Quebec City and then Westminster. We broadened our institutions, but always under the framework of that which was created in 1864 and finished in 1867, the dominion structure. Thus the nation progressed.

I ask hon. members to look at the statute of Westminster which we honour by raising the flag on December 11. We find there that the dominions were not colonies; that they were autonomous states. It was this very dominion which led us in a peaceful evolution from colonial subservience to full-fledged nationhood. Robert Borden did not have to drop the name "dominion" to hold office in a country which was fully independent and recognized in the League of Nations and in the chancelleries of the world as a free state.

This is no reflection upon the motives of the hon. member who sponsored this bill—he is a man for whom I have the highest regard—but I think it is an indication, so prevalent these days, that to change is always to go forward. I submit that here is a measure which for historic, geographic, constitutional

and indeed religious reasons—and surely we have not lost some of the threads of our religious background in this society—should not pass.

I listened with interest to the remarks of my colleague, the hon. member for Cochrane (Mr. Stewart) with whom I have been travelling of late, and I say to him that if his bill were before us I would support it because I think that the depiction of the great prime ministers of the country on the currency of the land is a forward step and one which enriches our history. To do what is suggested in the bill before us, however, does not enrich our history; it forgets the past, ignores the significant uniqueness of this country which makes us not a republic and not what Macdonald wanted to call it but a unique society peacefully achieved, democratically developed and internationally recognized.

In "dominion" we have a concept in which Canadians of all the provinces surely can find meaning. I adhere to the name "dominion" and I will try to do my best to adhere to the goals which were advanced when that name, as the country, was first created.

Some hon. Members: Hear, hear!

Mr. Thomas M. Bell (Saint John-Lancaster): Mr. Speaker, I gather that there is some disposition to pass this bill and refer it to the committee. I am in agreement with that but I wish to point out seriously, and I hope not narrowly, that last week on February 10 the hon. member for St. John's East (Mr. McGrath) introduced a bill recommending changes to the Hazardous Products Act, the principle of which has been adopted by the government. It could easily have been referred to the committee and been considered there in light of the new legislation which the government announced is being introduced. For some strange reason government members talked the bill out.

I hope that this is not a one-way street; that is, I hope the government is not permitting only government members' bills to go through second reading stage and be referred to committee. Therefore, while we are agreeable to this action today—and I hope the bill will go to committee—I hope the government will reciprocate and will let some of our bills go through which are just as worthy as this one.

Mr. Forest: Mr. Speaker, I rise on a point of order to say that during this session some bills presented by members of the opposition have been passed and sent to committee. I remember one particularly, introduced by a member of the New Democratic Party, the hon. member for Waterloo (Mr. Saltsman), which received this treatment.

Mr. Bell: What has been the proportion of government bills passed?

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, since there does seem to be a recognition of the fact that this bill will be passed and will go to the committee, I just wish to confirm what my colleague has said—that we want this to be done. We do have a reservation about Canada Day always being celebrated on a Monday. For example, we do not want to celebrate it on July 4, but that is a detail that can be dealt with in the committee.

With regard to the remark about bills introduced by a member on this side of the House not being passed and sent to committee, I think that my friend, the hon. member for Oshawa-Whitby (Mr. Broadbent), will feel that if this bill is passed, in effect approval will be given to the bill which he has on the Order Paper, Bill C-104, which also asks that our national holiday be known as Canada Day. We will be happy to see this bill passed and go to committee for study and possible amendment on the one point.

The Acting Speaker (Mr. Béchard): Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Motion agreed to, bill read the second time and referred to the Standing Committee on Justice and Legal Affairs.

CANADIAN CURRENCY

EFFIGY OF FORMER PRIME MINISTERS TO BE PRINTED ON BANK NOTES

Mr. Ralph Stewart (Cochrane) moved that Bill C-30 respecting Canadian currency (effigy of former prime ministers), be read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

Mr. Bell: Is it a worthy bill?

Mr. Ralph Stewart (Cochrane): It is so worthy that it has already been accepted. Mr.

Printing on Canadian Bank Notes

Speaker, I am going to speak on this bill only briefly. I suggest that it be withdrawn, because since I introduced it the government decided to adopt it. Whether my prodding of the government made it adopt this measure, I shall leave to the historians to decide. I introduced the bill the last session and reintroduced it this session, and the government announced recently that it would adopt the measure.

• (5:40 p.m.)

When I introduced this measure it was with the intention that Her Majesty's effigy remain on one of the bills, perhaps the $20 bill, and that former prime ministers should be placed on all other bills. I believe that rather than this the government has seen fit to leave the effigy of Her Majesty on the $1, $2 and $20 bills and depict former prime ministers on the remainder. Since the matter is a *fait accompli,* I would suggest that the House concur in my removing this bill from the Order Paper at this time.

The Acting Speaker (Mr. Béchard): Is it agreed?

Mr. Bell: Mr. Speaker, I understand you will be asking for unanimous consent for this action, and we are in favour of it; but I would ask that on the $30 bills we depict the Minister of Finance (Mr. Benson).

The Acting Speaker (Mr. Béchard): Is it agreed that Bill C-30 be withdrawn and the order discharged accordingly?

Some hon. Members: Agreed.

Order discharged and bill withdrawn.

Mr. Forest: Mr. Speaker, due to the remarkable progress we have made this afternoon I think there would be a general disposition to call it six o'clock.

The Acting Speaker (Mr. Béchard): Is this agreed?

Some hon. Members: Agreed.

The Acting Speaker (Mr. Béchard): It being six o'clock, I do now leave the chair until eight o'clock p.m.

At six o'clock the House took recess.

[Mr. Stewart (Cochrane).]

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

NATIONAL PARKS ACT

AMENDMENTS RESPECTING DEFINITION, ACQUISITION, ADMINISTRATION, ETC.

The House resumed consideration of the motion of Mr. Chrétien that Bill C-152, to amend the National Parks Act, be read the second time and referred to the Standing Committee on Indian Affairs and Northern Development.

Mr. Harding: Mr. Speaker, just before the adjournment I was speaking on some of the main amendments outlined in Bill C152, an act to amend the National Parks Act. I expressed my concern over the trend in government to turn many of these vital public functions over to Crown corporations, over which this House has very little control. When it comes to these very vital resources, the national parks, I believe we should have a good look at this legislation and satisfy ourselves that we are moving in the right direction before we pass it.

There are one or two points I should like to make about park development—you might call it general resource development—which are very pertinent to the legislation before us. All members are aware that the various parks throughout Canada, municipal, provincial and federal, are of different types and categories as far as development is concerned. Some parks allow logging and mining within their boundaries: this is something which naturalists and conservationists have been fighting for generations, and I presume will go on fighting it. That is the reason I believe there is more concern today than ever before over the need to set up a large number of wilderness parks where nothing in the way of commercialization is allowed. As I mentioned earlier, I do not believe we can proceed too quickly to set up such areas.

When it comes to general resource development, I do not believe that either the federal or provincial administrations should be too pleased with what has happened in the past. In many instances we find that resource development in Canada has been based on single-purpose development: it might be, for example, the damming of a stream that flows into a national park and the one thought in mind is

to obtain hydropower from the dam. The damage that might be done to the ecology of the country, to the wildlife and to the potential tourist industry is never weighed in the balance.

We have been a wasteful nation in this regard. I believe when it comes to general resource development, all provinces in our nation—and all countries, in fact—should very carefully weigh every aspect of any potential development. We must consider the matter in that way, otherwise we will find that we cause far more damage—as we often have—than the good we derive from a particular resource which we are trying to develop. I wish to read a short paragraph into the record to give an indication of what has happened in resource development everywhere in the world:

• (8:10 p.m.)

If there is anything that history demonstrates it is that an economic raw resource region gets poorer in the process of having its resources extracted. The resource rich regions in the U.S. are the poorest regions. The Appalachian region from Pennsylvania to Alabama produced $500 billion worth of raw wealth for the markets of the world and yet are the poorest predominantly white region in the U.S.

This applies not only to our neighbour to the south but to regions in Canada where resource development in many instances has not been properly carried out. The long-run results have been devastated areas. I hope that those responsible for our parks will in future try to avoid this situation occurring in our resource areas.

I should like to say a few words about one of our outstanding national parks, Glacier National Park in the Rocky Mountains. The park borders my constituency in the north. The potential of this outstanding national park, which strides the Trans-Canada Highway, is truly tremendous. In it we have a number of timber berths which the government is in the process of buying from the owners. I do not know how far advanced are the negotiations. Last year the government was negotiating, and I hope all the timber berths have been obtained and that the Crown owns the entire land surface within this beautiful national park. I think the matter touches the rights of individuals and I feel that when an area is set aside as a park, adequate and full compensation should be paid for timber berths and the like which have been expropriated. The national government should have complete control over such areas in all ways. I think this is a generally accepted concept of park ownership in Canada.

Glacier National Park is only one of many parks in Canada and I am talking about it to illustrate my general point. Within the confines of Glacier National Park is a remarkable cave system known as the Nakimu caves. Increasing interest and enthusiasm is being generated over these caves, which I understand are longer and deeper than originally thought. They are an outstanding examples of a cave system, perhaps the best to be found not only in Canada but in the entire western hemisphere. Their development potential, I understand, is currently being studied by the parks branch of the department.

The point I make is that the authorities have known about these caves for years. I understand they were discovered in 1904 by a chap called Deutschman who lived in Revelstoke. Following the custom of the day, he staked two mineral claims around the caves to protect his interests. The following year the Crown purchased these mineral rights for about $5,000. I think the chap negotiating the sale was the head of one of the national parks in British Columbia. He knew a good thing when he saw it and very wisely negotiated the sale.

In the early days the Canadian Pacific Railway used these caves as an attraction. Glacier National Park has a fantastic background of railway history. As I say, the CPR knew a good thing when it saw it. In the old days before they had the Connaught tunnel under the mountain, the railway went over Rogers Pass. Consequently, people visited these caves and came from all over the world to view this natural wonder. Gradually the caves fell into disuse. Some development work was undertaken but finally, when the depression struck, all work was curtailed and the caves were closed.

In the last few years people connected with the parks branch of the department have explored the caves and found they are far more extensive than was originally anticipated. I wish the government would look into this question because the caves are one of the natural wonders of the nation and would attract people to this national park. Not only is there a unique cave system in the park, but there is also some of the finest scenery and hiking to be found anywhere in North America.

I am worried in case the Crown corporation established under the bill tends to put money into those parks which large numbers of people visit and fails to develop these natural

attractions. That is why I believe this bill is perhaps taking a step in the wrong direction. I do not think this sort of Crown corporation ought to handle our parks development. I could say much about Glacier National Park; it is connected with the railway history of this nation and particularly the linking of the west with the east. That is a fantastic story. When the railway was taken through the Rocky Mountains this area proved one of the toughest sections through which to build the railway system of Canada. There is a fantastic background of stories linking the park with the pioneering of the railways. It would be a natural spot for displaying old, historic engines and everything connected with the early days of the railway. This park happens to be in British Columbia, but other parks which I believe have similar potential are to be found from one end of Canada to the other.

In a moment or two I will sit down and allow other hon. members to take part in the debate. Before I do that, I again wish to stress the point I made earlier: there is an urgent need for Canadians to set aside far more acreage for park purposes than is now the case. I understand that Japan has 10 per cent or more of its land mass in parks; Germany has 8 per cent. They are smaller, more densely populated countries, but they realize the value of recreational assets for the needs of the population.

• (8:20 p.m.)

Although Canada is relatively underpopulated, we must not delay much longer in picking out some of the choicest areas and setting them aside for park purposes. An area in which the federal government cannot escape responsibility is our northern sections. In the Yukon and Northwest Territories there are outstanding areas which should now be set aside for posterity. Already we know the move is on to the north.

There are gas, oil and mineral explorations going on there. We will have clashes with companies who say, "This is a good area for mineral development. Why should we conserve it for park purposes?" This is the tug-of-war that will take place between these interests and the long-run interests of Canadians generally. No one knows what type of development will take place in the north a couple of generations from now. The ecology of the area must be protected. We must not have just one or two parks in the north; there must be a series of parks set aside. The time to do that is now. We must move quickly. We must move into those areas and make certain they are retained for Canadian use for all time.

[Mr. Harding.]

Mr. R. J. Orange (Parliamentary Secretary to Minister of Energy, Mines and Resources): Mr. Speaker, I would like to take a few moments to talk about the principle of national parks, with particular reference to the national parks which now exist in northern Canada and those which are proposed.

I congratulate the Minister of Indian Affairs and Northern Development (Mr. Chrétien) and his predecessor for having taken hold of a political football—to anyone who has followed this debate, it is obviously that—and tried to achieve some semblance of order out of the chaos that exists in the national parks with respect to leaseholds, the principles which determine who can live and work in a national park, and the purpose of our national parks. At the same time I think there are areas which must be studied, particularly as they affect the people who live in our national parks or in areas surrounding them.

I would now comment briefly on the visit of officials of the Department of Indian Affairs and Northern Development last winter during which they appeared before the Northwest Territories Council in Yellowknife to announce almost unilaterally a proposed national park in the Northwest Territories. I do not think any one of us who was involved in this question objected to the principle. We did not object to the location. However, we did object to the fact that in all probability there had been no consultation with the people directly affected. I am referring to the Indian people who have used the area of the proposed national park in the east arm of Great Slave Lake as a traditional trapping and hunting grounds. I also refer to the people who have expended a great deal of money, energy and effort to find out if there are non-renewable resources in the area.

The proposed park will be one of the more exciting parks of the Northwest Territories. It includes the area of the Lockhart River, including the magnificient falls and part of the Macdonald fault which is one of the more exciting mineral areas on our continent. It includes the treeline as it moves into the barrens. In time it could provide for the people of Canada some of the most exciting and interesting parts of our national parks system.

On the other hand, the proposal put forward by the national parks administration failed to take into account the fact that there were people who had deep involvement, the

Indian people at Snowdrift and around Great Slave Lake as well as the people involved in the mineral industries. The Minister of Indian Affairs and Northern Development recognized the outcry and hue that came from all concerned, including citizens of the north who really had no direct involvement in the proposed national park other than looking forward to having a park in the north. They said to the minister, "We believe that what you are proposing is all right, but for heaven's sake sit down and talk with us; tell us what your plans are. We will tell you what our objections might be, and maybe we can get together and work something out."

With due credit to the minister, he met the Indian people of Snowdrift. He told them in no uncertain terms—I was present on that occasion—that in no way would their traditional rights be affected by the establishment of a national park in the area. The minister assured them that the other Indian bands situated along Great Slave Lake would be involved in the discussions. He had discussions with the mining industry. In this way he has been able to establish some form of agreement.

I wish to make reference to three principles involved in a document which was presented to the minister by the Mining Association of the Northwest Territories. The Northwest Territories Chamber of Mines proposed that a park be established in the Lockhart River area with boundaries approximately the same as those proposed by the national parks, to be administered by a government department; that principles involved in parks policy take into account minor changes which would be compatible with the requirements of the mining industry and the Indian people; that the parks administration come up with a concrete plan which would in effect outline for the people of the north, the people of Canada, their intention with respect to the development of this vast wilderness area.

I think, Mr. Speaker, there has been a meeting of minds. I believe there was compassion, understanding and negotiation. Many of the hurdles, the unfortunate circumstances of last winter, have been overcome. We as Canadians can now look forward to a national park in the east arm of Great Slave Lake. This will be one of our most exciting national parks, perhaps not for this generation but for generations to come.

Earlier today I listened with interest to a number of members who made reference to Wood Buffalo National Park, that area which comprises 17,000 square miles of northern Alberta and the Northwest Territories. I was a little surprised at some of the comments as to why this national park was established. There was reference to the whooping crane and it was said that the park was designed to protect the whooping crane. This, Mr. Speaker, is a lot of nonsense. This park was established in 1928, as most hon. members know, to provide a sanctuary for the fast-disappearing buffalo. Those familiar with the history of the buffalo on the prairies recognize they were a dying species by the mid-twenties. A far-sighted proposal of the government in those days led to the transfer from the prairies of a great number of buffalo to the Wood Buffalo National Park, where they now number approximately 15,000. There, this magnificent species of animal, a symbol to many of the old way of life in Canada, is protected against hunters and against disease.

• (8:30 p.m.)

Originally, though this area was called a national park it was not really a national park but a wilderness area. At the present time problems are arising which concern the province of Alberta, the government of the Northwest Territories and the Department of Indian Affairs and Northern Development in connection with the future of this park. There is no doubt that in the opinion of most people the great portion of this national park ought to be maintained in its natural state as a habitat for the buffalo, the bison from the prairies and the other species of wildlife which exist in the area.

The park is part of our heritage. However, there exist within the area, particularly on the western side, mineral resources which I believe could be significant in the development of western Canada. I am referring primarily to the gypsum deposits which now lie within the park but which must somehow be freed for exploitation without interfering with wildlife and its habitat.

I look to the possibility of extending the road system which now goes as far as Fort MacKay, north of Fort McMurray into the national park and Fort Smith in the Northwest Territories, so as to create a circular route for Canadians and others who wish to visit this region of northern Alberta and the Northwest Territories.

We look to the Minister of Indian Affairs and Northern Development and his counterpart in the Alberta government to sit down in serious discussion and work out in detail the

future of Wood Buffalo Park in a way which would free those areas which seem to be good resource areas, while at the same time developing the north-south routes which are so important to the opening-up of the north. I would ask the Minister of Indian Affairs and Northern Development to give us a report, either on second reading or during the committee stage, on the progress of the discussions which are taking place with his counterpart in the province of Alberta.

At the outset I said I supported the principle of this bill. We must remember that the purpose of setting up the Crown corporation is to separate the management of leases and leaseholds from the management of the parks themselves. Let us get on with building facilities within the parks and at the same time minimize the kind of thing which has taken place in this Parliament during the last eight or ten years—the discussion of whether or not our friends should have leases, what they should pay and how they should pay it.

In conclusion, I should like to make a suggestion in which I believe and which I consider to be most important. As we develop our national parks system across Canada—and we should do this with all possible haste—we should look to the Canadian Arctic with the intention of establishing a National Polar Park there. I am thinking of preserving within such a national park the kind of wildlife which we may not see on this planet in the years to come. I have in mind the polar bear, caribou, the narwhal, the seal and the walrus in the coastal areas. I hope the minister, in his anxiety to create new national parks, will look upon the Canadian Arctic as a prime area for the establishment of a national park in the far north of our country.

Some hon. Members: Hear, hear!

Mr. R. N. Thompson (Red Deer): Mr. Speaker, I regard it a privilege to take part in this debate. For a number of years major portions of Banff and Jasper National Parks were within my constituency. Under the redistribution arrangements affecting electoral districts, the boundaries changed prior to the last election. However, because of the proximity of my constituency to the two major national parks I can still speak with familiarity about these major components of our national parks system.

I do not think it would be redundant if I were at this point to review briefly certain aspects of the set-up of our national parks. I believe it would be relevant after several days of debate to remind ourselves just where the national park areas are and just what problems have arisen with regard to them. At the present time the federal government possesses something less than 30,000 square miles of Canadian landscape tied up in the national parks. Half of this area consists of the Wood Buffalo Park in the far north of Alberta, to which the hon. member for the Northwest Territories (Mr. Orange) has just referred. Few tourists ever reach this wilderness area. Of the remaining national parks area, 94 per cent is in western Canada which contains less than 30 per cent of Canada's population. The national parks area in Ontario is insignificant—a few square miles at Point Pelee, Thousand Islands and Georgian Bay. There is one in the province of Quebec just in the process of formation.

An hon. Member: One.

Mr. Thompson: One is coming, but I do not think it has been formalized yet. From this background it can be readily seen that the question of national parks is one which basically involves western Canada. Certainly, the whole problem with regard to leaseholds relates only to western Canada. For this reason the bill before us is one in which the representatives of the west, particularly those who live in the proximity of the parks, have a special interest and concern.

I would say in as non-partisan a way as I can—my remarks will not be partisan because I believe the real issue goes deeper—that many of those who discuss park administration, and even many who have taken part in this debate, do not really understand from personal experience and involvement just what this bill will mean to a certain portion of our country and its citizens.

• (8:40 p.m.)

My concern about this bill is that it proposes to place the rights of a sizeable portion of Canadians under the administrative responsibility of a Crown corporation. I believe this is a regressive step, one which will take us back to colonialism of the worst kind. One of the basic concepts that has been democratically developed in our Canadian way of life is the right of people to express themselves in government, be it local government, provincial government or federal government. Those who are of necessity rendering a basic service to our national parks will not only be denied their rights; the bill would

also violate the Canadian Bill of Rights and take us back to a system I thought we had got away from 100 years ago.

The establishing of a crown corporation of this sort is not a new idea. I have in my file letters written in 1963 dealing with the subject. I was interested to note, on going through some newspaper clippings, that in 1965 and 1966 there was much talk about the possibility of setting up such a Crown corporation. I had hoped this idea had died long since, but apparently it has been in the minds of those people whom I believe are basically responsible for some of the confusion about which the hon. member for Northwest Territories has just spoken. I refer specifically to some senior members of the national parks administration in the civil service.

If there was any confusion, as suggested by the hon. member for Northwest Territories, it was caused by those who misguidedly proposed that certain areas of the Northwest Territories should be taken over as national parks, without any consideration being given to the opinion of the administration in the Northwest Territories or those who have their homes in the proposed park areas. The confusion came as a result of the bureaucrats in the department who drafted policy without full consideration of the people concerned.

This gives the House some indication as to how this proposal of a Crown corporation developed. It is a proposal that we as elected representatives in this House must unitedly find difficult to accept, certainly difficult to support. I do not see how many of my colleagues on the government side of the House can lend their support to this type of legislation since it denies rights that I believe are basic to Canadian citizens.

I am convinced that the policy outlined in this bill is wrong. It will be our responsibility, and particularly the responsibility of the committee members who study the various aspects of the bill, to make sure that the legislation is fully understood. Indeed, I hope the bill will be rejected. I know it is difficult to talk about the progress of the bill at this time, but it is legislation we should seriously think about before giving it our support. Certainly that is the intention of those on this side of the House. My remarks on this point are directed to government members. I do not think any member of the House will disagree about what should be the basic concept of a national park. May I simply go back to some of the earlier definitions that were in the minds of those who first set up our national parks and with which we can all agree.

According to the statutes of 1887 we read that the national parks, which were conceived and established at that time, were for the benefit, advantage and enjoyment of the people of Canada. According to the statutes of Canada for the year 1911, the national parks were defined as public parks and pleasure grounds for the benefit, advantage and enjoyment of the people of Canada. In 1930 it was again stated that the parks "are hereby dedicated to the people of Canada for their benefit, education and enjoyment, subject to the provisions of this act and regulations, and such parks shall be made use of so as to leave them unimpaired for the use of future generations". No one disagrees with those objectives. That is what the parks are intended for, and these definitions underline what is the basic purpose of our parks.

In this regard I am also reminded of remarks that were made in 1966 by the minister then responsible for parks. He said that the preservation of individualism requires us to spend some time away from the pressures of our daily labours. He said that recreation is essential to all of us, and will become increasingly so as industrial organization progresses and the machine continues to divorce us more and more from the world of nature in our daily lives. We on this side accept that definition because it is correct. I do not believe that any of us who oppose this bill have any intention but to uphold the spirit of the definitions I have put on record and to expand the services and facilities of the parks not only for the people of our generation but for generations to come.

Having said that, there are several basic points that we must take into consideration as we look at the legislation before us. First of all, I believe it is the direct responsibility of Parliament, consisting as it does of the representatives of the people of Canada, to oversee the public property that it is intended to use for purposes falling with the definitions given to us by the statutes of Canada, namely as public parks. To relegate this responsibility to a Crown corporation is wrong: not only is it wrong; it is an abdication of our responsibilities.

All of us have had experience in dealing with problems connected with Crown corporations. For example, the people that we represent may have a legitimate complaint about, or objection to certain facets of, say, the Canadian Broadcasting Corporation. We

put forward their complaints in this House in the form of a question, either orally or on the Order Paper, or raise the matter in debate. Then we are told by the minister responsible that he cannot interfere with the administration of the CBC since politics must be divorced from the administration of the CBC as a Crown corporation.

Consequently, we decide to write to the president of the CBC or to some other senior official in that organization. I have many letters in my files to verify the fact that they invariably write back saying they are sorry but they do not determine the over-all policy of the CBC; that the Parliament of Canada is responsible for this. So you are caught betwixt and between. The Crown corporation will probably act as it sees fit, anyway. This is the sort of danger we face in establishing a Crown corporation to administer leaseholds and, indirectly, the rights of those Canadians who live in our parks and service the facilities therein.

It is not difficult to ensure that our national parks are preserved so they fulfil their intended purpose. The parks should be preserved not only for their natural beauty but in the interests of promoting those sports and recreational activities that admirably complement their terrain. I refer particularly to winter sports. However, as I say, these recreational facilities in our parks can be so constructed that they in no way interfere with the beauty of the park and its enjoyment by the Canadian people. There are some wilderness areas in our parks that should be classified as such. The hon. member for Northwest Territories illustrated this point when he referred to the Wood Buffalo Park in northern Alberta.

• (8:50 p.m.)

There is no real reason why that park should be categorized in the same way as Banff and Jasper National Parks. It is strictly a wilderness area which provides a haven for the buffalo herds. I believe these should be preserved. However, at no time will the Wood Buffalo National Park be used in such a way that it compares with Banff or Jasper National Parks. Should the fact that there are important mineral deposits within that area mean that they should never be developed? Certain wilderness and other areas which may exist in major parks like Waterton, Banff or Jasper should be delineated as such, but at the same time we should allow the controlled development of the resources

[Mr. Thompson.]

which may be in the area. This is particularly true in respect of Wood Buffalo Park. The hon. member spoke about negotiations between the government of Alberta and the federal government. These negotiations have been going on for many years. How will the negotiations be improved by signing the administration of the park over to a Crown corporation?

Then there are the townsite areas. In my opinion there is no reason why the areas included in these townsites should not be administered in an altogether different manner from the wilderness or recreational areas of our parks. It would seem to me that the passage of legislation such as this to set up a Crown corporation would even further confuse the picture and deny the right of self-government and citizenship to the people who happen to live in the parks. The rights of Canadians must not be violated. It is the responsibility of Parliament to protect these rights. Whenever people live in the parks we have a responsibility to ensure that their rights are protected, as we do for those who live elsewhere.

The people living in these parks are not exploiters; they are not people who have taken unfair advantage of their place of residence within a park. Some people may have abused the privilege but I ask, where are these culprits? There are very few people in the parks who do not carry out their responsibilities in a loyal and satisfactory way; therefore, consideration must be given to them. We are talking about individuals and communities of people.

It might be interesting to look briefly at the people who are living in these parks at the present time. In 1969 in Jasper—I am speaking now of the townsite and the people living there—30.2 per cent gained their livelihood from railroad employment. Several major transportation lines, either highway or railway, pass through this national park. It is logical to expect there must be people to service these facilities within the parks. Because Jasper is a railroad divisional centre and a large proportion of people work for the railway, are the people there to be denied their right of citizenship? Of the people living in Jasper 17.4 per cent are tradesmen—tradesmen are necessary so far as the building and maintenance of facilities are concerned—and 15.4 per cent of the people are governmental employees. These are for the most part people who are employed by the parks administration.

There are in Jasper 9.4 per cent of the people who are widows or retired citizens. They are not people who have moved in from the outside; they have lived there and their homes are there. Are they to be denied the right to remain where they have lived and served during their lifetime? Only 16.2 per cent of the people living in Jasper derive their income from tourism or commercial services rendered to people who visit or who are living in the parks, such as government employees, railway employees, and so on. In Banff the figure is a little higher; 26.6 per cent of the people—definitely a small minority—gain their livelihood from services provided in the park for tourism as it relates to the commercial life of Banff.

These people give their lives to the area and serve their fellow citizens. It is wrong to place them in the classification of exploiters and greedy capitalists. I believe the most important point is the denial of self-government to these people. Are we to deny to a portion of our citizens the rights defined in the Canadian Bill of Rights? Are we to deny them the right to govern themselves so far as local government is concerned? Why should it not be possible for the people living in the townsites within the national parks to administer their own local affairs, as do people living in any other town or village in Canada? I do not think there is any argument to refute that right. These are not irresponsible people; they are as responsible as any of us in this House or people in any other community in the country. Is it not possible to have clear regulations established basically by the national parks administration under which these people would be able to carry out their responsibilities as citizens of our country under Canadian democracy? It is wrong to relegate these people to the faceless bureaucracy of a Crown corporation?

I hope the government will realize these things before it is too late. In my opinion, rather than having a Crown corporation the parks administration should be divorced from the Minister of Indian Affairs and Northern Development. It would be advisable that the person responsible be either a minister without portfolio or someone more closely associated with the problem, so far as concentration of time and responsibility is concerned. I am told the Minister of Indian Affairs and Northern Development devotes less than 5 per cent of his time and responsibility to the over-all, important projects related to the national parks. One cannot expect him to give the necessary time to the different aspects in respect of the parks. I suggest that one reason park policies have been evolved and thought out by bureaucrats living in Ottawa who are not associated with the parks is that ministers have not had time to devote to the responsibility which the parks entail.

I think the hon. member who represents the three major national parks in Canada—Waterton, Banff and Jasper—made some very timely comments. He is a member of the government, and I believe he should be commended for having had the courage to stand up and express the opinions many of us have been trying to express in this debate and in debates of previous years. The hon. member emphasized that the key issues are communication and the community accepting responsibility for its own welfare. The lack of communication is not something which has arisen in the last year and a half or in the last six, seven or ten years. It has been a characteristic of the communities of Banff and Jasper almost since their inception. I could refer to other timely and relevant points which the hon. member outlined in the problem as he sees it. One would hope the government would listen to this voice of logic and reason from among its backbenchers, especially when it belongs to one who is the representative of the people in the area. He is one person who ought to know the situation.

• (9:00 p.m.)

Again, in this area we should make sure that the rights of the people who live in the parks are protected and that the principles enshrined in the Bill of Rights are extended to them as they are to the rest of us, so that they are not considered second-class citizens. I agree with the hon. member for Northwest Territories that more parks should be established in that part of Canada.

As I look at this vast and beautiful province of Ontario and the beautiful province of Quebec across the river, it seems to me there should be more national parks in these provinces. But the administrations of these two provinces have resented the federal government coming in and setting up national parks, and I believe they have a very good reason for taking that attitude. If this bill should become law, I am afraid we will forever block further areas of Canada, in so far as the organized provinces are concerned, coming within the national parks administration. The fears of the provinces have stemmed from the fact that they object to assigning any of their

territory to the federal government—in this case to a Crown corporation—as it relates to leaseholds within the parks. They will definitely not want to do it. I think it is very likely that this legislation will eliminate the possibility of further national parks being established, with the exception perhaps of the Northwest Territories and the Yukon.

In closing, I believe that to place our fellow citizens under the administration of a Crown corporation would be tragic and reverting to colonialism. To submit them to the undemocratic procedures of a faceless, impersonal and bureaucratic agency is wrong. Therefore, I am opposed to this legislation. I appeal to members of the government to consider what will happen if this measure is passed by the House.

I do not even believe the legislation can be amended so as to protect the rights of the people living within the parks. The only way in which the proposals set out in the legislation can be advantageous is by eliminating the bill altogether and making sure that there is closer ministerial supervision so far as concerns the development of the policy that governs the parks. We should also strengthen the administrative services of the parks.

The people responsible for the routine administration of the parks have done a very good job. If one were to compare the way in which our parks are administered with the way in which this is done in the United States, one would realize that we have a superior administration. The same comparison can be drawn between parks administration in Europe. Our parks administration ranks with the best. The problem is with policy at government level. I believe that Parliament is responsible for parks policy, not just a few senior bureaucrats who are trying to dictate policy which they think is best when actually they do not seem to know what the situation is. Thus, I hope we will take a careful second look at this bill lest we bring to pass something we will regret in the years ahead.

Mr. John L. Skoberg (Moose Jaw): Mr. Speaker, I should like to take a few moments to enlarge on some of the points that have been made briefly, and to stress other points. We realize that Bill C-152 means many things to different people, just as parks mean different things to different people. To some people parks means a place where they can go for leisure; to other people they are places where they can go to see wildlife, the beauties of nature and many other things that we are not able to see in the large urban centres.

[Mr. Thompson.]

What we must really understand is the true concept of national parks. Is it really the beauty of nature that attracts people to the parks? I think all of us can agree that it is. Do Canadians really believe that national parks belong to them and will belong to them in perpetuity? We know that this is also true. We also know that the people of Canada thought the government of this land would hold our national parks for them in trust forever. This is one of the concerns that I have in considering the bill now before us.

Another point we must consider is whether we wish to retain the natural beauty and the ecology of these areas in exactly the same condition. There are two national parks which hold special status, namely, the national parks of Banff and Jasper. This point has been amply brought forward by many of the speakers who have taken part in the debate. I believe we must ensure that these parks are preserved unimpaired.

Another concern is to ensure that these parks are preserved forever. This leads us directly to the question of why we are establishing a corporation to administer the parks instead of continuing the present method of operation. Members who have spoken on this subject have done an excellent job in explaining why the establishment of a corporation would not be in the best interests of Canadians and of Canada as a whole.

I am sure many of us realize that the primary concern of many Crown corporations is the balance sheet. We have noted in our study of the estimates that services have been cut in some Crown corporations in order to make a good impression upon the government. We have also heard the government saying that an austerity program must be enforced. A perfect example of this is the cuts that have been made to the staff of the National Film Board—the very people who represent our national identity. The same thing could happen to our national parks if they were put under a Crown corporation. The government would then be able to say it will establish an austerity program which will apply to the national parks, and it will deliberately cut the very programs which the people of this nation deserve.

Another aspect to which we should pay attention concerns the blot on our landscape created by billboards, service stations and hot dog stands, which may bring the national parks corporation a buck today, and to heck with tomorrow! An analogy can be drawn from within our international airports which

are being filled with billboards advertising liquor, automobiles and cigarettes. Who decided the policy which permitted this, and when was it decided? I am sure that no Member of Parliament really knew what was going on when this decision was made. The same thing might happen in the national parks if they are put under a Crown corporation.

I would like to again emphasize the point I made about billboards blossoming within our airports, because it seems to me that if this bill passes in its present form the Crown corporation responsible for the national parks would allow billboards to be put up in the parks. I can assure you that the people of this nation will not take kindly to any government or Crown corporation allowing hot dog stands and billboards to be erected throughout our countryside.

Another point I would like to make concerns the creation of the latest national park mentioned by the hon. member for Red Deer (Mr. Thompson), namely, the Gaspé National Park. I realize that the province of Quebec needs this park. However, the point we are all missing is that it is a 99-year proposition. This gets away from the idea of national parks from coast to coast being part of a national identity, because at the end of 99 years the province of Quebec—if it happened to be in the province of Saskatchewan, the same thing could apply—the province could pay back the federal government and take over the park and the entire concept of national identity and national parks will have gone down the drain. I object most strenuously to this type of legislation being allowed to pass in this House when we consider the entire concept of national park.

• (9:10 p.m.)

We know that too many provinces and too many corporations will use some sort of drawing power to bring people to an area. We suggest that whenever a national park is being established strictly for the benefit of drawing power and commercialism—and what comes with commercialism everybody in this House knows—it is a wrong concept and a wrong method of doing things.

If we wish to retain our identity and have truly national parks it is high time we did exactly that and kept these national parks in perpetuity. This is the only way they could possibly exist under these conditions. In the town of Jasper, as was mentioned by the previous speaker, the hon. member for Red Deer, there are many people now employed in the railway industry and many other service industries. Surely Banff and Jasper in particular should be given self-government.

I am sure that the remarks made by my colleague from Comox-Alberni (Mr. Barnett) are very apt and absolutely true as you look at the situation that now exists. He said that people living in Banff and Jasper—and he said it many years ago—should not be the prisoners of their environment. No one in this House would like to see anyone a prisoner of his environment and recognized as a second-class citizen. Unless we recognize that Banff and Jasper in particular have a say in this over-all proposal, and have some means of communication, we are telling them that many people are not first-class citizens.

The officers of our national parks are to be commended for their diligence in trying to preserve a parks identity in this nation. I think it is only right that we give them due credit for that. Too often we hear criticism along the lines that they are not doing a good job, but the officers of these national parks are endeavouring to carry out a policy with which many of us in this House agree. If we are now to suggest that we turn the parks over to a Crown corporation—as members have said, a faceless corporation that does not have the proper feeling and the heart—we are doing a disservice to everybody concerned. I would urge that no consideration be given to establishing a Crown corporation in this particular field. Crown corporations have served and do serve many useful purposes in many fields, but this is a human relations field, it is a social science field, and it is one place where we do not want or need a Crown corporation.

Mr. J. H. Horner (Crowfoot): Mr. Speaker, on rising to take part in this debate I would first of all say that the constituency of Crowfoot runs very close to the national park at Banff. I have a particular attachment to the national park at Banff because my brother was the member of this House who for nine years represented the old riding of Jasper-Edson. I can assure the House that I listened to him many times, after this House had shut down, when he spoke of the problems of Jasper park and the bureaucratic set-up that was administering the national parks at both Banff and Jasper. So I take part in this debate with indeed an interest in the affairs of the two major parks in the province of Alberta, and also with concern for the growing interest in the playgrounds and recreational facilities at Waterton. These contribute

a great deal toward our tourist trade in the province of Alberta.

I think this legislation goes much further than concerning itself with the basic facts of the national parks of Canada. It epitomizes the attitude of the government with regard to the whole aspect of responsibility. I spoke on the question of responsible government on a point of privilege this afternoon. I did not get far at that time, but I fully believe the dripping water will wear away the stone at some time. This is one more attempt wherein I take it upon myself, as other members have, to point out the callous attitude of the government in paying no attention to the citizens now living within the national parks.

The hon. member for Red Deer (Mr. Thompson) quite logically and deliberately pointed out who those citizens are, why they are there and how they came to be there. He also pointed out that 94 per cent of the land of the national parks in Canada lay in western Canada. This is an interesting point if you couple it with the feeling of alienation that exists in western Canada because this government does not care about the citizens there.

Then you look at this piece of legislation and ask, "Are these people to have the right to administer their affairs in their towns; growing, prosperous towns until a few years ago when the 42-year lease concept was brought into being?" If you take that into consideration, this piece of legislation deliberately epitomizes the attitude of the government.

The right hon. member for Prince Albert (Mr. Diefenbaker) pointed out this afternoon that with the largest cabinet this country has ever had—with 30 ministers—not one minister is interested enough to come in, take part, observe, and interest himself in the plight of the citizens in our national parks. I see the Minister of Labour (Mr. Mackasey) in the House dutifully reading a labour contract, no doubt not concerning himself with this question although I know he is a man of generous heart. I wish he would attempt to interest himself in this matter, because he has gone down in history as quite a negotiator. Maybe he could negotiate this bill into oblivion. I know that the member for Rocky Mountain (Mr. Sulatycky) would agree.

Mr. Mackasey: I am a good defence man.

Mr. Horner: The minister suggests he is a good defence man. I can vouch for that. The people of Banff, Jasper and Waterton need a good defence man today. I urge him to take part. The hon. member for Rocky Mountain isn't a bad forward, either, and this is what he had to say about this legislation:

> Its powers are too wide. The corporation would be in a position to compete with free enterprise in the national parks. Such competition should not be allowed when private enterprise is already in the field.

He went on to say:

> I do not believe such a result will be achieved by this bill unless there are some very significant changes to it.

I agree with him 100 per cent, but I go further than he did and point out the callous attitude this government has had to the whole concept of responsible government. Is this bill spelling out to the people living in these parks that they will have some say in the development of the parks? No, Mr. Speaker, the bill does not say that at all. The bill says: We are going to set up a corporation.

• (9:20 p.m.)

If the government were operating with 10 or 15 ministers who were overburdened with work and wanted to get rid of some responsibility, maybe one could accept the idea that a Crown corporation would release them for other activities. But 30 ministers should be able to carry the load that 20 carried a couple of years ago.

What does a Crown corporation do? I was interested in the remarks of the hon. member for Moose Jaw (Mr. Skoberg) when he spoke against Crown corporations, although a few years ago the leader of his party was promoting Crown corporations in western Canada. A Crown corporation removes control one step further from the people. An elected representative has to batter down the doors of a Crown corporation in order to be heard, and that is sometimes difficult; the appropriate minister can say that decisions made by the corporation cannot be changed.

I maintain the concept and the basic principle of this legislation is wrong. What does it say? It says a Crown corporation is going to manage and maintain townsites in the national parks. The government are going to give it a few tidbits. Then it comes along and says that it is going to develop. What about the money that is already invested by private enterprise in the townsites and parks? What chance has it to compete with a new developer who is also going to manage and maintain the existing enterprises in the parks? The existing enterprise in that park is not going

to have even the ghost of a chance of competing for business. Mr. Speaker, the glaring crime of it all is that these people will have no say in the governing of the townsite and no say in the operation of their businesses and services to the public.

Now I want to speak about services to the public. In the province of Alberta tourism is the second largest industry, mainly because of the national parks. In the whole North American continent one cannot find such a picturesque, magnificent drive as that linking the national parks of Banff and Jasper—

Mr. Orange: The Alaska highway.

Mr. Horner: It is a terrific tourist attraction but it is a long way from Calgary and Edmonton, the two major centres at which tourists generally arrive. It is logical that we should have a townsite in Banff and in Jasper in order to give service to the tourists. There is no sense in my going into the question of the effect that the 42-year lease has had on these people. We hear of things "turning on" the younger generation—and some of the older generation, too—but let me tell you that the 42-year lease principle has "turned off" the developers in the national parks. Service has become slack. In the past two summers sometimes as many as 1,500 people could not find lodging in Banff and had to travel 60 or 70 miles to Calgary for the night and drive back to the park the next day.

We have a tremendous asset here, a gift of nature. Why do we cripple ourselves, limit ourselves by bringing in such a socialistic document? A Crown corporation to "manage, maintain and develop"! Somebody suggested that it is a communist document. The socialists in the House did not like it, so it must be something worse. I think it is bad, poor legislation. There is no question in my mind that it will do nothing to develop and encourage the citizens in these townsites to develop and to give better service.

Let us be frank about the question. As we progress in our society today and as town sites and cities become larger, more and more people are looking for playgrounds and a place to relax—for some place to get away from the madding crowd. The national parks of Banff, Jasper, Watertown and others throughout this country have provided this outlet. But we must give service. It amazes me how this government, supposed to be modern, hep and "with it" can think that a Crown corporation will be flexible enough to develop every nook and cranny in order to provide such relaxation.

How can what the hon. member for Red Deer called a faceless corporation be in tune or even care to be in tune with the demands of the day in giving pleasing service to the public? I find it beyond comprehension how the government could imagine that Crown corporations sitting high and mighty here in Ottawa, and without competition, could even concern themselves as they should with such a vastly growing business as tourism. Tourism is one of Canada's greatest assets, and Alberta is very fortunate to have the Rocky Mountains, or even part of them, in the province. Alberta is fortunate, too, that Banff, Jasper and Watertown were set aside as national parks in the early days. Could a Crown corporation develop services fast enough to meet the demands of the years ahead? Could it be flexible enough? The parliamentary secretary may say, "Yes, it is going to be a new and different Crown corporation". But where are the new and different people coming from—Mars, the moon?

Crown corporations are made up of people, but people who do not face competition. Without somebody harping at them they are likely to become lax and contented. Occasionally they even become conceited and authoritative. They are not likely to bend to the whims of a poor tourist out from the city for the day. No industry in our whole economy must be as flexible as the tourist industry. No industry, whether it be manufacturing, oil or farming must be as prepared to meet the whims of the individual as the tourist industry. How can we believe that a Crown corporation could be that flexible?

• (9:30 p.m.)

It might be argued that the people living in the townsites of Waterton, Banff and Jasper have some say in the management and control of those towns. The bill does not suggest that. They will come under the authority of this so-called National Parks Leasehold Corporation. We see in this bill epitomized the attitude of the government. We see here the government displaying an irresponsible and authoritarian attitude. It disregards the very principles of democratic, responsible government under which the people of the country in towns, counties and provinces have a right to some say as to the way they shall be governed. This bill does not give the people of the townsites that say; one of the basic principles of our democracy has been ignored.

Unquestionably there is dissatisfaction in these areas. I will not repeat what the hon. member for Rocky Mountain said in this House. He maintained that the people of the area ought to have been consulted and the government would have consulted them if it had not been so callous about their welfare. There will be demonstrations and more destruction. Some people across Canada say that you can only change the government's mind by demonstrating; only then will the government lift up its head and sniff the wind to see what ought to be done to soothe ruffled feathers.

There are indications that all is not well with the citizens of Banff and Jasper townsites. About a month ago there was a town meeting in Banff townsite. The people asked the present minister and the previous minister to go down there. They have been agitated down there since the question of 42-year leases was broached. And what has the government done? Has it put its ear to the ground and paid attention to complaints in those areas? No. It has brought down this legislation which sets up a Crown corporation, puts the parks under the responsibility of the corporation, and says in so many words that elected representatives in this House will not have much say about what goes on in the parks.

Passage of this bill will lead only to further chaos in the country. I warn the government, and I hope it heeds my warning, not to be irresponsible and not do display a callous attitude to principles which have been fought for over long periods of time. The government's callous and irresponsible attitude must lead to more destruction, more demonstration and greater upheaval. Surely we do not want that in this peace-loving, growing country. Considering the provisions of this legislation and that it will affect people living in Waterton, Banff and Jasper, I move, seconded by the hon. member for Red Deer:

That this bill be not now read a second time but that it be resolved that in the opinion of this House that the subject matter of this bill be first of all put to a referendum among the residents of the townsites of Banff, Jasper and Waterton Lakes.

I sincerely hope the government will accept the amendment because, as the bill stands the residents of the area have no right to any say in their own government. If the amendment were accepted, they would have that right. It is a precious right for which people have fought and died in wars for over 1,000 years. The amendment would give the people the right to choose whether they wish to accept this legislation. The government is not prepared to give them the right of self-government. It is not prepared to say, "We will give you some say in your future development."

The amendment would give them that choice, and I urge all hon. members to support it, particularly the Minister of Labour who was in the House a minute ago. He has gone now, but the Minister of Fisheries and Forestry (Mr. Davis) is here. Some lovely fish are being caught in the national parks of this country. I know the minister firmly believes in the concept of people making their own choice and their own decisions in matters of self-government. The Minister of Labour enunciated that principle in Vancouver when he spoke about dock workers and longshoremen. Surely he must feel that the people of Waterton, Banff and Jasper townsites should have the right of some say in how they are to be governed and how their area is to develop.

The corporation to be set up will be run by a bunch of bureaucrats who will be inflexible and hard to deal with, especially on questions affecting tourism.

Mr. Speaker: Order, please. The hon. member has proposed an amendment. The Chair has very serious reservations as to the procedural aspect of the amendment and would appreciate hearing the views of hon. members as to why this type of amendment should be accepted. If no hon. member wishes to speak on the matter, I shall make my ruling.

Mr. Nesbitt: Mr. Speaker, as I understand it, at this stage of a bill the type of amendment that can be put forward is limited. We can put forward either what is known as the six months' hoist or a reasoned amendment. As I understand it, a reasoned amendment must be repugnant to the subject matter of the bill; it must be opposed to the bill. I think that the amendment we are considering is so opposed. Second, it must be the type of amendment that could not be made to any individual paragraph of the bill when the bill goes to committee.

I understand that this amendment meets the second requirement. One could not, by amending any individual paragraph of the bill when it is before the committee, accomplish what is proposed in this amendment. The amendment proposes that the bill be not now read a second time but that the House give consideration to referring the subject matter of the bill to a referendum of the

people of three specific townsites. I respectfully submit that cannot be done by an individual amendment to any one paragraph or clause of the bill, and that therefore the amendment ought to be allowed.

Mr. Speaker: If there are no further submissions on the interesting point of order which has just been raised, I am in a position to make a ruling. As the hon. member for Oxford (Mr. Nesbitt) has noted, only very limited types of amendments can, according to our rules, be presented at the second reading stage. It may be that our rules should be changed.

• (9:40 p.m.)

As I look to my left and to my right I see a number of procedural experts who are prepared to accept the suggestion that it is difficult to make an amendment to a motion for second reading of a bill. As has been suggested by the hon. member for Oxford, the six months' hoist is perhaps one of the few possibilities which can be proposed by way of amendment.

Also, as hon. members know, a reasoned amendment can be proposed. As is well known, a reasoned amendment is one which opposes the principle of the bill for one reason or another. My understanding of the interesting amendment proposed by the hon. member for Crowfoot (Mr. Horner) is that it does not in fact oppose the principle of the bill which is before the House, but rather attaches a condition to the adoption of the motion for second reading. It is perhaps a very difficult distinction to make to decide to what extent, or in what circumstances, an amendment opposes the principle of a bill. Hon. members have many possibilities in the course of debate on second reading of a bill to find reasons which are, in effect, substantially opposed to the principle of a bill and request that in the circumstances the bill should not now be read a second time.

My interpretation of the amendment proposed by the hon. member for Crowfoot is that it attaches a condition to the bill but does not oppose the principle of the bill now before the House. It is not essentially a reasoned amendment. Therefore, I find it very difficult to accept the hon. member's amendment. I hope in the course of this debate hon. members who are opposing second reading of the bill might find an amendment which could be proposed to the Chair that might be procedurally acceptable.

Mr. Horner: We are going to keep trying.

Mr. Speaker: The hon. member says, "We are going to keep trying." I can understand that in the sense it should be reasonably easy to find an amendment which would make it possible for an hon. member to invite the House to oppose the principle of a bill.

Mr. Horner: There should not be taxation without representation.

Mr. Speaker: I am in agreement with the general principle that there should not be taxation without representation. That does not make the amendment acceptable from a procedural standpoint. The amendment is out of order.

Mr. Rod Thomson (Battleford-Kindersley): Mr. Speaker, I wish to make a few brief comments with regard to one or two ideas. Actually, one idea has been promoted by the Minister of Fisheries (Mr. Davis)—the idea of an underwater park in the Georgia Strait. I think this is an excellent idea. It is probably the most logical area off Canada's shores for an underwater park. This should be done now before the area is all fouled up with pollution, filled with oil derricks or before there is too much industry on the shore. The Minister of Fisheries wrote a letter to the Minister of Indian Affairs and Northern Development (Mr. Chrétien) promoting this idea. I suggest the minister should send a letter to the Northern Affairs Committee suggesting that the committee discuss this idea. I would like to see the committee study it, possibly tour the area and conduct hearings to ascertain whether there is interest in such an idea.

Snorkeling and other water sports are becoming more and more in vogue. Since most of Canada is not warm enough a great deal of the year to have a park of this kind, I think the Georgia Strait is one of the few areas that could be utilized. I think it should be used for this purpose. I visited Tobago last October. While there I did some snorkeling and looked at the underwater reefs in the area. I found it to be a very enjoyable sport.

Mr. Whelan: You can't do that in Saskatchewan.

Mr. Thomson: No, I can't do that in Saskatchewan. You might wonder why a Saskatchewan farmer would be interested in an idea of this kind. Possibly one of the reasons it appeals to me is that we do not have this type of entertainment close by. Certainly not many

people in Saskatchewan can afford or are fortunate enough to visit Tobago, but many of them could visit and enjoy a park off the coast of British Columbia.

I might mention that in addition to the large population of British Columbia there are many people on the United States west coast fairly close or adjacent to this strait. A park of this kind would appeal to and be used by a great many people. It might also be used by a few people from Saskatchewan. Instead of the Prime Minister (Mr. Trudeau) going to the British Honduras for a swim, he might swim off the coast of British Columbia and draw attention to the beauties of bathing in the water there.

Mr. Benjamin: How about the bathing beauties?

Mr. Thomson: I am no authority in that field. I do not think a park of this nature would be too expensive. As the minister suggested, in the national sense we already own the land under the water; therefore, it would not be necessary to lay out a great deal of money. Such a park would bring considerable revenue to tourist operators in the area, marinists and anyone who has business or recreation interest in water sports. I suggest the minister should continue promoting his idea. The hon. member for Vancouver Quadra (Mr. Deachman) and others who are interested should also promote this idea. I favour an examination of the idea by the Northern Affairs Committee. I hope the minister will show a little more interest in the idea.

I also wish to comment on the remarks made by the hon. member for Northwest Territories (Mr. Orange). The Crown now owns a great deal of land in the Northwest Territories and Yukon. Before this area is scarred, spoiled or despoiled, I think some of the land should be set apart. This would not cost very much money now or inconvenience us too greatly. If we wait until someone has a vested interest in the area, they will want to be paid for that interest or they will strenuously object to the area being included in a park of this kind.

I do not intend to say where or how large these parks should be, but I ask the Minister of Indian Affairs and Northern Development and the Northern Affairs Committee to take a good, hard look at this idea to see what we might do to protect the future of northern Canada, whether it be the Arctic, the subArctic or any other part of our north. If this is done now it might save us a lot of trouble later. Others have dealt with many parts of this bill. I just wanted to pursue these two particular lines of thought.

[Mr. Thomson.]

Mr. Erik Nielsen (Yukon): Mr. Speaker, I had not intended to participate in this debate. I only do so because of the remarks that have just been made by the member of the New Democratic Party. All the ministers of northern affairs in the previous government and all the ministers of northern affairs in this government, save the existing minister, have given their assurance in writing to the people of the Yukon that there will be no national park established in the Yukon territory until the elected representatives of the people on the Yukon Legislative Council ask for a park and delineate the nature, extent and location of the park.

• (9:50 p.m.)

I, together with all Yukoners, resent the idea that any area in the Yukon territory should be set aside in the absence of consultation and decision on the part of the elected representative of the people in the Yukon. I want to make that quite clear. That is how the majority of people in the Yukon feel about it, and the territorial council is on record as supporting such a view. I understood the hon. member who just resumed his seat to suggest that unilateral action might be taken by this government and a standing committee of Parliament. It might be a useful exercise for the committee, on its next visit to the Yukon, to solicit the opinions of the people on the spot rather than endeavour to make a unilateral decision here.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I do not intend to take more than a couple of minutes. I rise because I was among those who went with the committee to the Yukon on its last visit there. I was, to say the least, disappointed at the feelings expressed not by the elected members of the council but by a number of the members of the Board of Trade with whom we met. I felt they did not want a park to be located in any area where there might be the slightest possibility that at some time in the future a mineral deposit of some value might be found.

If one takes that attitude—and I am not saying the hon. member for Yukon (Mr. Nielsen) takes that attitude; I hope he does not—there will never be a park in the Arctic because, of course, there is always a possibility that at some time, somewhere minerals will be found in circumstances where they

can be commercially exploited. I would hope we would not do so much consulting that we would never take practical steps to establish a park in the Yukon.

Mr. Nielsen: May I ask the hon. member a question before he resumes his seat? I am sure he would agree that the same kind of consultation should take place between the federal government and the Yukon Legislative Council with respect to the establishment of a park as would take place with a provincial legislature.

Mr. Orlikow: Of course, Mr. Speaker. I would advocate that, and support such a course. But I would take the same view in connection with my own province as I have suggested in connection with the Yukon. If there was a group, members of a Board of Trade, of a Chamber of Commerce or of any other organization in Manitoba which said, "Let us not establish a national park because there might be some minerals in the area", my attitude would be: let us consult the government of any province, the Council of the Northwest Territories or the Yukon, but let us also go ahead as quickly as possible, because we need more national parks.

Mr. Stan Schumacher (Palliser): Mr. Speaker, on rising to take part in this debate I, too, would like to explain the relation of my constituency with the constituency of Rocky Mountain which contains all the largest national parks. My constituency of Palliser is made up primarily of the old constituency of Bow River which contains the townsites of Lake Louise and Banff.

Having been active to some extent in that old constituency organization, at a non-elective level, I did obtain some knowledge of the problems facing the residents of those two towns. Also, I was fairly closely associated with the hon. member for Calgary North (Mr. Woolliams), then the hon. member for Bow River. Like my hon. friend from Crowfoot (Mr. Horner) I used to hear a great deal about the difficulties encountered by the residents of Banff and Lake Louise at the hands of the federal executive administering those areas. At that time, of course, or during a large part of that time, the party to which I belong happened to have the responsibility which now falls to hon. gentlemen on the other side of the House for such administration.

So, speaking in a non-partisan way, I do not think it can be said that anyone's skirts are completely clean as far as the administration of the national parks is concerned. Nevertheless, I believe that the present government party has carried on a consistent campaign for the past seven years in an effort to deny the people who live in these areas their just rights and leave them without any effective control of their own affairs.

This campaign, which now culminates in the proposal to set up a Crown corporation which will be the crowning glory of those bureaucrats who are impatient to tightly control these areas, began with redistribution. The present legislative assistant to the Prime Minister (Mr. Trudeau) was very active on the redistribution commission in the province of Alberta. I think he is responsible to a large extent for the fact that the present constituency of Rocky Mountain exists.

The effect of redistribution in this case was to hive off the townsites of Banff, Jasper, Lake Louise and Waterton into one federal constituency, thereby depriving the residents of those areas of three members to represent them here. They are now represented in this chamber by one hon. member and their voice has to this extent been reduced.

May I call it ten o'clock, Mr. Speaker?

PROCEEDINGS ON ADJOURNMENT MOTION

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

TRADE—RADIO AND TELEVISION TUBE IMPORTS—THREAT TO CANADIAN INDUSTRY

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, on December 9 I asked the Minister of Industry Trade and Commerce (Mr. Pepin) what he was able to do in response to a very urgent request from the United Electrical, Radio and Machine Workers of America. This group presented what I thought was a most cogent case to some of our cabinet ministers and some members of the Liberal caucus from the Toronto and Hamilton areas. Since that time, although the minister said he was seeking ways to assist I have received no indication that he has been very successful.

Whether this group will return and attempt to talk to another sector of the cabinet which might be more helpful, I do not know. The documentation is serious. These men point

out that employment in the industry at both CGE and Westinghouse is approximately half what it was two years ago. In November of 1967, 476 production workers were employed at CGE's Dufferin tube plant in Toronto. As of October 24 of this year, this figure was down to 340. At Grimsby, 90 production workers were employed in tube manufacture in November, 1967. By last October, that figure had fallen to 45. This is a serious decline in employment among people who are extremely competent and well trained. Many of them have been working for a long time.

• (10.00 p.m.)

The brief also points out very succinctly that while sales of domestically-produced tubes have been declining, sales of imported tubes have been increasing. So that the minister, wearing both his caps of industry and trade and commerce, has, I think, a very serious responsibility in reference to this matter.

It has been suggested by the group that an immediate ban on the importation of tubes be placed on all such that can be made in Canada. They also make what surely is a familiar suggestion—the immediate removal of the 12 per cent sales tax, as well as the 10 per cent excise duty on Canadian manufactured tubes. They also wish to impress on the manufacturers their responsibility to act more in accordance with Canadian interests. This has reference to the many firms who are foreign-owned.

This question is very important in that it indicates one further area of increasing unemployment. So many of our graduates trained and educated at university are unable to find work. We know a number of civil servants are being forcibly made redundant, and we know what has happened to our military servants. We are also hearing that the western grain growers are now going to pass through a certain form of unemployment.

As I say, we have here an additional area of concern. It should, indeed, be an area of anxiety to anyone who believes that a growing rate of unemployment in any country, under any circumstances, is something that should be opposed vigorously and strenuously. Certainly the minister of industry and all ministers of the cabinet should take this stand.

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, when this question was raised on December 9 I stressed the fact that electronic tubes used in radio and television receivers are being progressively replaced by transistors. In the past 15 years we have seen phenomenal technological developments in the field of electronics, and this is one of them.

Demands for higher reliability and lower cost components led to the development of the transistor. In recent years these devices have found growing application in radio and television receivers. This is the principal cause of the reduction in tube manufacturing which is taking place both in Canada and abroad. This is not a strictly Canadian phenomenon; it is an international phenomenon. The situation even affects Japan.

I might add that the electronic tube market in Canada has been characterized by limited demand for a large number of different tube types. The Canadian tube manufacturing industry, which has been based entirely on the Canadian market since it could not export in numbers, has therefore concentrated on those types of tubes for which the domestic demand permitted economic production.

The many hundreds of tube types for which Canadian demand is too small to permit economic production have always been imported, mainly from the United States and Europe. Japan has been attracted to the Canadian market specifically for radio and television tube types and has therefore been in direct competition with Canadian producers. In view of the lower labour cost advantages accruing to Japan and potential adverse effects on Canadian producers, the Japanese agreed to voluntary restraint on tube exports to Canada. These arrangements are the responsibility of my colleague the Minister of Finance (Mr. Benson), and to date we have found no evidence that Japan is failing to comply with these voluntary restraints.

Both in the United States and Canada the new technology of transistors and related devices has been dominated by newly-emerging companies and not by the traditional electronic tube manufacturers. The rapidly expanding employment opportunities in Canada in the new technology compensates for the decline in employment in the tube industry. However, these new opportunities occur in different establishments and locations.

In other words, what is taking place at Canadian Westinghouse and at CGE in Toronto is compensated for, in terms of employment, by what is taking place at, for example, Microsystems in Ottawa.

As a matter of fact, there are probably five times more people newly employed in the

new devices business than are being laid off in the tube business. Unfortunately, this is not taking place in the same area. I am sad to say that. Being a connoisseur of communications, my hon. friend will know very well that changes are taking place very rapidly in this field. If a company does not move with the new technology possibly because it is moving in other areas of technology, it is bound to be replaced by some other company which does.

The Acting Speaker (Mr. Béchard): Order. The hon. member for Palliser (Mr. Schumacher).

VETERANS AFFAIRS—EFFECT OF CLOSING OF VETERANS LAND ACT OFFICES OUTSIDE BIG CITIES

Mr. Stan Schumacher (Palliser): Mr. Speaker, first of all I should like to compliment the ministers involved for being in the House this evening. It is very refreshing to see this attention to our problems on the late show. I hope it will continue. On January 27 I addressed the following question to the Minister of Veterans Affairs (Mr. Dubé) as recorded at page 2868 of *Hansard:*

> Mr. Speaker, my question is for the Minister of Veterans Affairs. It deals with the decision to close full-time offices of the Veterans Land Act administration branch which have been helping veterans in the field outside the big cities. Does closing the full-time VLA office at Drumheller, Alberta and the drastic reduction of services there represent a decision by the minister to reduce the amount of help that the government is giving veterans generally across the country?

I might say that when the question was transferred to this time slot I wrote the minister to express dissatisfaction with this unnecessary and retrograde step relating to Canada's commitment to her veterans. The minister kindly replied to my letter, but with respect I do not feel he met the problem raised by my question. In speaking on this question I am not merely concerned with the veterans of a large portion of my constituency but with the welfare of veterans all across the country, because as I understand it the closure of the VLA office in Drumheller is not an isolated example but merely another example of this government's implementation of what it conceives to be the just society.

What we see happening here is the application of the theories of the Postmaster General (Mr. Kierans) to the Department of Veterans Affairs—reduced costs by reduced service. Because the veterans who use the facilities of the VLA are what they are, namely, responsible persons who have demonstrated a keen sense of duty, they will probably survive the reduction in service. What is particularly galling to them is that the saving created at their expense is not passed on to the taxpayer but is diverted by the government to other budgets.

It is diverted to the budget of the Minister of Regional Economic Expansion. According to releases by his department, almost 65 per cent of the grants made to date have been to businesses operating in the province of Quebec. Then there is the example of the Department of Agriculture which has shifted the bulk of its dairy support program to the dairy industry in Quebec. It seems apparent, also, that this so-called economy drive, which is really misnamed when one considers that it has not resulted in any over-all reductions in government spending, is wrongly directed. After all, the VLA was set up to aid farmer veterans, not urbanites. In this situation I would appreciate the minister explaining why the field office network is being weakened instead of the regional or central offices. For example, if there had to be a staff reduction, why was it not carried out at Calgary or Edmonton, or right here in Ottawa rather than in the field where the job has to be done?

• (10:10 p.m.)

Hon. Jean-Eudes Dubé (Minister of Veterans Affairs): Mr. Speaker, as the hon. member said, he wrote to me with reference to Drumheller and I replied to his letter. However, this evening he enlarged his comments to apply not only to his constituency but to the country as a whole. First of all, perhaps I should state that the director of the Veterans Land Act has been reviewing his organization from year to year, most particularly in the area represented by the hon. member. This is not done solely because of the government's fight against inflation, as suggested by the hon. member, but mostly because of a decline in the work load.

During the year 1968-69 only 16 loans, with an approximate value of $252,000, were made to veterans in the Drumheller field area. The main bulk of the business originates in the northern segment of this field area, a distance of 20 to 25 miles from one of our VLA field officers who is located at Stettler.

The hon. member also suggested that the reductions were confined solely to our field areas. This is not the case. I can assure the House that staff reductions were effected at all levels of the veterans land administration.

This is done as the work load diminishes, which is normal 25 years after the war, and requests for loans under the VLA diminish. In the country as a whole the VLA staff has been reduced this year from 570 to 514, a reduction of 56 positions. This reduction of 56 is broken down to 24 from the field officers and 32 from the office staffs. Out of the 56 positions, 32 became vacant as a result of attrition due to retirement, sickness or death, and 8 were transferred. This leaves a balance of 16. Not one of these 16 people lost his employment. We hope to be able to find positions for all 16. But I believe it is only good management to effect staff reductions and to increase efficiency.

UNEMPLOYMENT INSURANCE—COMMISSION ADVERTISEMENTS RESPECTING FRAUD

Mr. David Orlikow (Winnipeg North): Mr. Speaker, on January 28 I asked the Minister of Labour (Mr. Mackasey) whether he had seen and approved the advertisements which have been appearing on behalf of the Unemployment Insurance Commission warning about alleged fraud in the collection of unemployment insurance claims and threatening the supposed defrauders with court action. I was amazed—that is why I put the question for debate at ten o'clock—at the reply which I received from the minister. This is the kind of reply I would have expected had I directed such a question to the President of the Treasury Board (Mr. Drury) who was born with a silver spoon in his mouth and I believe never really understood how ordinary working people live. However, I was amazed to receive such a reply from the Minister of Labour, who in my opinion is one of the few good ministers in this government. For the minister to have taken the hard line which he took and to have almost suggested that by asking the question I was condoning the defrauding of the fund, amazed me.

I give credit where credit is due, and I would say that the advertisement to which I referred was brought to my attention by a column written by Mr. Dalton Camp which appeared in the Toronto *Telegram* and in the Montreal *Star* of Wednesday, January 21, 1970. There is a picture of a judge, or of what is supposed to be a judge—and if ever there were a hanging judge, he is in that picture. Let me summarize the main points of the advertisement as Mr. Camp summarized them:

"When someone knowingly cheats (a case had been made earlier for people who cheated unknowingly) they're stealing money—

[Mr. Dubé.]

"We think that should be enough to make anyone think twice before trying to cheat on their unemployment insurance.

"But if it isn't, we know something that is.

"A day in court."

And so on, and so on, Mr. Speaker, ad nauseam. I hold no brief for people who cheat the fund, but a deliberate campaign has been worked out by the Unemployment Insurance Commission or, more likely, by some hot-shot Liberal hack advertising agency which they hire—of which this ad is just one example—which would make people think that there is a fantastic amount of cheating going on. In another publication of the commission they say as follows:

There are close to one and a half million claims for unemployment insurance in Canada each year. Almost 20 per cent of them have an element of suspected fraud.

That would mean that 300,000 people are deliberately defrauding the commission. Mr. Speaker, there is no evidence of that. The commission has never done any investigation, except in regard to a few small samples. If it were parliamentary to say so, I would say that either the officials of the commission or the advertising agency which probably devised this brilliant campaign deliberately lied and misrepresented the facts when they made that claim. There is no evidence of that.

I am not saying there is no defrauding of the fund. I am not saying that the commission does not have to take adequate steps. But I am saying that this kind of scare campaign is unnecessary, is despicable, and I am amazed that it takes place under the aegis of the kind of minister we have. According to figures submitted by the commission itself, in the fiscal year 1968-69 they were able to recover $3 million in unemployment insurance—not frauds but overpayments, which is something entirely different. To do that, Mr. Speaker, they spent $2½ million. They had 160 to 181 people working to do that. I submit that the commission's own figures show that the advertising campaign is a fraud; that it is built up on misapprehensions, on faulty information; that the returns are very limited and do not warrant the kind of campaign which is being carried on.

I say it is an insult to the people who are unemployed. I would say the vast majority, 98 per cent of those who are not working are not working because there is no work. They would be more than happy to go back to work, and they do go back to work when work is available. The commission ought not to carry on the campaign which it is carrying

on, even if it is necessary, in the kind of language and with the kind of spirit in which it seems to be carrying it on.

Mr. Jim McNulty (Parliamentary Secretary to Minister of Labour): Mr. Speaker, with all due deference to the hon. member for Winnipeg North (Mr. Orlikow), there is nothing in the advertisements which even hints at discouraging people from drawing benefits. Out of a series of four advertisements, the aim of three of them is to explain features of the program and to inform the public as to how and when they should contact the Unemployment Insurance Commission.

To let people know about the pitfalls of fraudulently obtaining benefits it is necessary to dwell on matters which are, to say the least, unpleasant. However, if one considers the consequences which follow when people are found to have obtained benefits illegally, the reason for the warning becomes more apparent. Every year thousands of people are found to have made false declarations to obtain unemployment benefits and the consequences to many of these people are rather sad and severe. They are liable to repay the amounts that were obtained illegally and they are subject to fines and imprisonment.

• (10:20 p.m.)

These added hardships have to be borne at a time when people have already suffered difficult economic conditions. Few people realize the possibility of these consequences. We believe, therefore, that it is important that periodically—and once a year does not appear too often—a warning should go out as to the problem which can be created by fraudulently obtaining unemployment insurance benefits.

We have no knowledge that anyone has been discouraged by the advertisement from applying for benefits to which they are entitled. The volume of claims and the duration of claims would appear to be normal for this time of the year at all the offices of the Unemployment Insurance Commission. We are convinced, however, that the educational value of the total advertising series was one which was worth doing and one which will prevent people from making the mistake that practices which should not be accepted under any circumstances will be tolerated with regard to the payment of unemployment insurance benefits. It is clear that the advertising campaign was mainly educational, and as such it should help to restore faith in the system for the 98 per cent of the benefits which are drawn honourably and as a matter of right.

I wish to emphasize that the advertisement was in the public interest because it served to inform people of a service to which they are entitled. It helped to protect the unemployment insurance fund in which all employers, employees and the government have an interest as contributors; and it served as timely advice to people who through lack of awareness of the consequences of fraudulently obtaining benefits could perhaps be guilty of doing this. In the final analysis, the campaign should help restore in the mind of the people the value of the program to the hundreds of thousands of people who draw about $400 million in benefits per year. The extent of fraud is not the main concern: better information about the operation of the program and the consequences of fraudulent practices is, in our view, a sound reason for the advertisement campaign.

Motion agreed to and the House adjourned at 10.24 p.m.

APPENDIX

LETTER RESPECTING MONTREAL MAIL TRANSPORTATION SITUATION

February 17, 1970.

This is a copy of the letter given today by Mr. Kierans to Mr. Raymond Parent, secretary general of the Confederation of National Trade Unions, on the mail transportation situation in Montreal.

February 17, 1970.

Mr. Raymond Parent,
Secretary-General,
Confederation of National Trade Unions,
Montreal, P.Q.

Dear Mr. Parent:

Since the mail transportation situation in Montreal has become intolerable, I wish to state clearly the position of the Post Office and the Government.

Last September, the Government decided to implement fully the policy of inviting tenders for all contracts of mail transportation services exceeding $1,000 per annum. This is required by section 22 of the Post Office Act.

Among the regions affected is Metropolitan Montreal where temporary arrangements have been renewed each year since 1954. Whatever justification may have been offered for such a policy in the past, it has not worked and is not working. The drivers and contractors alike were faced annually with the dreadful insecurity of losing jobs and contracts. Nor has it benefited the people of Montreal who have suffered through no fewer than 5 conflicts in the last three years, of which only the first was legal.

The resulting disruption, violence, and intimidation have hampered enormously the competitive capacity of industry and commerce in Montreal. It has also provided the people of Montreal with the worst service and the greatest frustrations of any city in Canada.

Nor has the Canadian taxpayer benefited, for he has financed the highest cost transportation services of any major city in the country. The waste and inefficiency can be measured by the combined totals of the new contracts which amount to $3,350,000 or about two million less than this year's costs. I am not blaming anyone, neither management, union, or government. I am simply stating the facts.

The situation, obviously, could not continue and my immediate predecessor, Honourable Jean-Pierre Côté, started to implement changes that have now led to the division of Montreal into five sectors. The government decision of last September confirmed that policy.

The new 5 year contracts allow the Post Office more flexibility and provide the drivers with greater job security.

Last year, during the 32 day slowdown, Rod Service Ltd. decided that it could no longer provide the service which the people of Montreal had a right to expect. The members of the union, therefore, lost their employer. Again this year, G. Lapalme Inc., the new contractor and employer, is finding that he cannot provide adequate service. Under these conditions, the contracts can be cancelled and, once again, your members will be without an employer and a contract. Unless the mail service returns to normal immediately, we will have no choice but to revoke the Lapalme contract. The public interest, in particular that of the people of Montreal, would demand such action.

I will not list the incidents of violence, sabotage, and destruction of government property which have occurred during the last two weeks. You are as aware of them as I am. I will simply say that the mail is not being delivered.

If I am forced to cancel the Lapalme contracts, the Post Office will immediately request from Canada Manpower the names of approximately 350 drivers needed to deliver the mails until March 31. If the present employees list their names with Canada Manpower, and if they are permitted by their former union to work, we will give particular attention to those with seniority and experience for this temporary period. If they do not register, the Post Office will take drivers from Manpower's present pool.

A separate crown corporation solely for Montreal drivers is not feasible. Nor is the appointment of a Post Office administrator to supervise the Montreal operation. The Post

Office awards some 10,000 contracts across Canada. We rely on the competence and efficiency of our contractors, or we change them. As administrator of public funds, I cannot do otherwise.

The new contracts take effect on April 1. They have been signed and are binding on the government. It remains therefore for you and me to work out three problems. How can we assure the best service for the people of Montreal between now and March 31, secondly, how can we ensure the continued employment of the greatest number of present employees, with priority being given to the 162 men with more than five years service; thirdly, what are the best arrangements that can be made with Manpower to admit the remainder to paid retraining programs.

I will welcome your cooperation in resolving these problems.

Yours sincerely,

Eric Kierans.

HOUSE OF COMMONS

Wednesday, February 18, 1970

The House met at 2 p.m.

MESSAGE FROM THE SENATE

Mr. Speaker: I have the honour to inform the House that a message has been received from the Senate informing this House that the Senate do unite with the House of Commons in the appointment of a special joint committee to examine and report upon proposals, made public, on a number of subjects related to the constitution of Canada, and that certain honourable Senators have been appointed to act on the said committee.

ROUTINE PROCEEDINGS

FEDERAL-PROVINCIAL CONFERENCE

STATEMENT BY PRIME MINISTER

Right Hon. P. E. Trudeau (Prime Minister): I should like, Mr. Speaker, to report on the federal-provincial conference which took place here in Ottawa on Monday and Tuesday of this week. If I may have the consent of the House I would propose to table a copy of the communiqué issued at the conclusion of that conference.

[*Translation*]

Mr. Speaker: Has the Prime Minister the consent of the House to table the document he has just mentioned?

Some hon. Members: Agreed.

Mr. Speaker: Agreed.

[*English*]

Mr. Trudeau: While there have been a great many meetings at the ministerial and officials level in recent months, the conference provided the first opportunity for some time for the heads of the federal and provincial governments to discuss a number of matters of common concern not relating to the constitutional review. The first item, and the one to which most time was devoted, concerned the economic situation. Under this head we discussed in some detail the problem of inflation, to which I shall return in a moment, as well as a number of more specific problems.

• (2:10 p.m.)

Among these latter, particular attention was devoted to the serious difficulties facing the western grain farmers. Emphasizing the adverse effects of the current difficulties in exporting wheat, the prairie premiers put forward a number of suggestions to which the federal government will give careful consideration in the course of its continuing efforts to devise the most effective means for dealing with this problem. In recent months the government has introduced a number of measures designed to alleviate the difficulties facing the grain farmer, and we may have some further measures to propose in this area before long. However, no one at the conference was under any illusion that there is a simple or obvious solution. All agreed that the position in the west is extremely difficult and that the consequences affect every area of Canada. The decline in the export market for wheat, and the lack of alternatives of adequate economic return, constitute a most serious national problem.

As our second item we discussed the problem of pollution, which is rapidly becoming a threat to human welfare, not only in Canada but indeed throughout the world. While current pollution problems are most acute in highly populated and industrialized areas, the rapid growth in pollution-causing activities of every kind poses a major threat in all parts of the country. There was general agreement that the effective handling of this problem both to clean up the consequences of past neglect and to prevent a progressively more rapid degradation of the environment, will require a major effort and close co-operation on the part of all levels of government as well as the private sector. It was also recognized that important aspects of this problem lie outside national jurisdiction and call for effective action on an international scale. Against this general background there was special urgency attached to problems of water pollution. Although some provinces indicated difficulties with particular aspects of the proposed Canada Water Act, there was general acceptance of the requirements underlying that bill for vigorous federal leadership in this area.

[*Translation*]

The third agenda item concerned the report of the federal-provincial Tax Structure Committee. This report reviews fiscal trends and projections for all governments in Canada up to the year 1971-72, and analyses a range of problems having to do with the major federal-provincial joint programs in health, welfare and education. The report assembles a good deal of important material relating to both of these questions, and I am very pleased that the Conference agreed that it should be made available to the public. Now, Mr. Speaker, I would like to table the report in both languages.

According to the report, the revenue-expenditure projections indicate a continuing surplus for the federal government but an increasing deficit at the provincial-municipal level. Much of this deficit problem can be traced to the very rapid rates of increase in the costs of the point programs. However, it is emphasized that there are statistical projections based upon certain assumptions about budget policy.

They should not be interpreted as forecasts of government budgets. Indeed, several provinces have made clear that they intend to make every effort to balance their budgets, or to reduce the deficits projected, in line with the overall objective of containing inflationary pressures.

There was, of course, a strong suggestion that the federal government should transfer fiscal resources to the provinces to help them with their financial problems. But I think it was realistically accepted that the federal government cannot reduce its taxes in favour of the provinces, spend more to meet many worthy needs, and achieve an anti-inflationary budget surplus all at one and the same time. The provinces have responsible administrations and recognize the realities which all government must face.

Nevertheless, conditions do change, and I indicated that when we are successful in getting inflation under control, secure their co-operation in holding down the costs of joint programs, and complete the reform of the income tax, we will be able to look carefully at the problem of adjusting fiscal resources between levels of government. The ministers of finance and provincial treasurers will keep this question under continuing review.

[*English*]

The outcome of the recent Price Stability Conference organized by the Prices and Incomes Commission was reviewed, and I am happy to say that all participating governments endorsed the voluntary system of price restraints drawn up by that conference and the basic principle designed to limit any increases in prices by private business to something clearly less than their increases in costs. May I make clear at this point that the federal government for its part supports that price restraint scheme as a valuable contribution to the national effort to control inflation, and will be prepared as the program goes forward to do what it can to ensure that it is successful. In addition to the result of the conference with business leaders, there has also been made public the list of "Tentative Proposals" which the Prices and Incomes Commission has put to governments. Broadly speaking, we agree with those suggestions, although I should point out that some of them are of limited application within the federal jurisdiction. While it is of course for the provincial governments individually to declare their own positions on specific aspects of these proposals, and the action they plan to take in relation to them, the consensus of the conference as contained in the communiqué makes clear the very general support which they have received.

I need not enlarge now on our determination to restrain federal expenditure, on which our intentions were put to the House when the estimates were tabled last week. Nor would it be appropriate for me at this time to discuss the government's taxing plans, which will be made known shortly. I should, however, add something about our intentions with regard to goods and services supplied to the public by the government itself or by agencies under its direct control. Some of these activities are essentially commercial in nature—the operations of Air Canada and Polymer Corporation are examples—and for these we propose that they should be subject to the guidelines established for private business. In other words, any price increases by these enterprises during the coming year should meet the criterion that they are clearly less than what would be required to cover unavoidable cost increases.

There is in addition a wide range of federal services, not of a direct commercial nature, for which fees or charges are applied. Here I should explain that we had earlier accepted the principle, and continue to hold to it, that the charges levied for such services should be designed to recover from the users the cost of providing them. In accordance with this principle we had planned to introduce a number

of increases, substantial ones in the case of those services for which relatively nominal fees had hitherto been charged, as well as a number of new charges. While we continue to regard this approach as sound, we have concluded that the introduction at this time of such increases and new charges could be interpreted as inflationary behaviour, despite the fact that to make a direct charge on users rather than to have costs recovered out of general revenue might in economic terms be regarded as anti-inflationary. Accordingly we shall forgo the introduction of such new and increased fees at this time, on the understanding that this decision is taken in the context of the general price restraint program to which I have referred and may be subject to review in the light of developments relating to that program.

To make clear the significance of this decision I should explain that we had planned an extensive list of new or increased charges over a wide range of services, from which the expected increase in revenue was estimated at some $45 million for 1970-71. Prominent among these were the air transportation tax, on which the House was informed on Monday of our decision not to proceed at this time and on which anticipated revenue was estimated at $20 million. Another major item was an increase in certain postal rates, from which $17 million had been expected. Lesser but still important items included a variety of fees for inspection of weighing devices, gas and electricity meters and so on at $2.9 million, fees for testing cattle, plants, meat and similar items at about $1.3 million, and national park and historic site fees and land rentals at about $1.5 million.

In summary, therefore, we have decided as part of our response to the general call for restraint to forgo economically justifiable increases in fees and charges on non-commercial services to the public, at a loss of some $45 million in expected revenue, and to subject the commercial operations under our direct control to the guidelines established for private business. These measures, together with the spending restraints already indicated and such tax measures as may soon be made known, will demonstrate, I think, that we take with the utmost seriousness the problem of inflation and the need for restraint. I am confident in the light of the very useful discussion of these matters at the recent conference that the provinces likewise will respond to the situation and fulfil their responsibilities in the same manner.

• (2:20 p.m.)

Finally, the actions of governments, important though they are in relation to this problem, cannot succeed without the active support of the public at large and a willingness on the part of various private sectors of the economy to play their part. It is surely now apparent to all that inflation must be controlled and that the widest participation in this effort will be needed; hence I am confident that the lead established by the senior levels of government at this week's conference will command a broadly based support. Through such a general effort we can hope, without undue delay and with a minimum of dislocation, to bring inflation under control and to move toward an acceleration of soundly based growth and expansion.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, we have listened with great interest to what the right hon. gentleman has had to say. We thank him, of course, for his courtesy in making available to us the heavy documentation upon which the statement is based.

Turning to some of the matters which the right hon. gentleman raised, as far as agriculture is concerned I need only say that we on this side of the House have been endeavouring to the best of our ability for a long time to provide suggestions to the government as to ways and means of dealing with the situation. The conclusion at which the government seems to have arrived, as indicated by the Prime Minister, is that the position in the west is very difficult and that the consequences affect every area of Canada. This is the essence of what we have been saying for a long time. I am sure that no matter what the provincial premiers from the west may have suggested, their proposals will come within the ambit of those which have been made time and time again on this side of the House in the form of amendments, questions and statements. It is safe to say that no matter what solutions the premiers may have put forward—you name it, and we have already proposed it from this side of the House—

Some hon. Members: Hear, hear!

Mr. Baldwin: —with a lamentable lack of response from the government side. My hope, now, is that the Minister of Agriculture and the Minister without Portfolio who speaks for the Wheat Board will be impressed by what the premiers have had to say and will now pay a little more attention to our views on this issue.

As to pollution, I need only say that this issue is before the House at the present time. It is being considered by a committee of the House and in due course the House will again have the opportunity to discuss it. We have made our views known, and at the appropriate time amendments may be moved on behalf of this party.

As to the extremely important problem of inflation, the questions to be dealt with here are of such fundamental importance as to make it essential that we place a moratorium as far as possible on any partisan or political approach. I am sure all of us—and I speak for everyone in our party and, I believe, for all the people of Canada—hope and pray that an effective solution may be found for dealing with the two grim spectres of rising unemployment and rising prices which threaten us today. It is not good enough simply to say that the rise in prices and unemployment is not as sharp now as it has been in the past. I think of the old household saw that you feed a cold and starve a fever. One might apply this to the body politic in Canada which today is suffering from the two very serious problems I have just mentioned. The government is now engaged in a highly dangerous and delicate manoeuvre—it is trying to starve one and feed the other at the same time.

The Prime Minister spoke at a press conference about the totality of all the governing powers of Canada being concentrated at the meetings which were held in the last two days. It seems to me that this hinted at the fact that with these powers gathered together there should be the capacity and ability to deal with these problems.

Just a word of warning here. The governing power, in reality, is the people of Canada. It is in the highly volatile expression of their social habits, their spending attitudes and the state of mind of the 21 million people in Canada, to say nothing of the millions more outside Canada with whom we deal, that there is to be found the real factors which will provide the essential help in the difficulties that we face. Jawboning, no matter how high the level, will not by itself bring down either unemployment or the cost of living.

In any event, the Canadian people are also represented in their totality as consumers and as taxpayers by the members of this House and also by the members of the ten provincial legislatures. I think—I say this in a non-partisan way—we must feel free to challenge and to scrutinize the various proposals that are brought in from time to time, supporting those that are wise and good and rejecting those that are faulty.

[Mr. Baldwin.]

Here, as in the recent meeting of industrial leaders of Canada called to deal with the problem of price stability, it would seem that the proposals and suggestions are vague, are conditional, and are couched, in many instances in the most fuzzy generalizations. Those who looked east for wise men to produce decisive and meaningful leadership looked in vain on all these counts.

Then we must consider the impact and the serious consequences which may result in doing damage to the very useful work that is being performed by the Tax Structure Committee. This committee at the current meeting produced figures showing that a very substantial increase in government spending was projected for the next two or three years. This included particularly, as the Prime Minister said, joint programs dealing with education and health and welfare items. We must bear in mind that some of these were initiated and foisted upon provincial governments by Ottawa, and from the viewpoint of equity this surely has to be taken into calculation by the federal government.

When the Prime Minister says no to suggestions by the provincial governments that Ottawa should assist here and should make available additional revenues, is it not likely that he is endangering the usefulness of this committee that is charged with working out arrangements as to priorities, to say nothing of the very abrasive situation which is bound to be created with those provincial governments that are so vitally concerned? When the Prime Minister says no and suggests that the provincial governments must either tax or reduce their own expenditures, he fails to mention that the provinces have not available to them the far wider and more useful tax sources, such as the hidden, indirect taxes which can be exercised only from Ottawa. When the Prime Minister talks to provincial leaders of curbing inflation by cutting down expenditures and/or increasing taxes, and in almost the same breath talks of implementing the proposals contained in the white paper on taxation, some of which are of a very iniquitous nature and certainly contain a very dangerous element of increased taxation and inflation, he is guilty either of colossal ignorance of the effect of these proposals or of consummate hypocrisy—and he can take his choice.

Many other questions may be asked and I am sure will be asked in the future, questions that are essential and must properly be asked in the discharge of our duties in this House and in the country. For example, where does the question of labour come in? The Prime Minister talked of reducing certain user fees, which I believe amount to an infinitesimal fraction of one per cent of spending. He should bear in mind that on the same day the Minister of Transport announced the reorganization of his department. This announcement included the statement by the minister that there would be increased user charges to pay for certain costs incurred in connection with departmental services.

We are also interested in knowing something about the type of sanctions that are being mentioned. Are they sanctions which can be applied in an equitable way? What form will they take? How effective and efficient will they be?

• (2:30 p.m.)

I conclude with one solemn note of warning to the government. The unemployment that is being created by the application of certain types of government policy is of the cruelest and most uncivilized type because it involves to a large extent those who are at the bottom of the economic totem pole. The hard core of the poor and the disadvantaged, the dispossessed people, those who almost permanently inhabit the land of poverty, the suffering, the deprivation and the social breakdown which will accompany this method of dealing with inflation will have repercussions which will be experienced for many years to come.

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, the Prime Minister's statement demonstrates that the government is playing out to its final conclusion the fiasco of its anti-inflationary policies. Members of this party have warned the government repeatedly that they were confusing symptoms with the disease and that in attempting to deal with inflation on a shotgun basis they were going to create even more problems than the one they were seeking to solve. We have contended repeatedly that it was an over-simplification to suggest that the economic difficulties in this country were due to too much money chasing too few goods. We pointed out repeatedly to the government that this country suffered from a maldistribution of income and from a misallocation of its human, material and financial resources. We have pointed out that a blunt axe approach to the problem would only create unemployment and economic slowdown. Instead, the government has proceeded with its over-all program of fiscal and monetary restraint.

In spite of the warning of the Economic Council of Canada as to what might result, we now find that without having any appreciable effect on the rising cost of living this country is facing a slowdown in the rate of economic growth, is facing increased unemployment, and in western Canada an economic condition which is worse than anything we have seen since the 1930's. It is all right for the Prime Minister to say that he is prepared to put up with 6 per cent unemployment in this farcical fight against inflation, but that is not much consolation for the man who is unemployed. The Prime Minister should get a slogan which should be: "Help fight inflation by losing your job."

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Mr. Trudeau: You did it twice.

Mr. Douglas (Nanaimo-Cowichan-The Islands): I am glad to see that the Prime Minister at least has been convinced that there are very serious economic conditions in western Canada. I am glad that he did not try to tell the premiers of the provinces that the farmers were well off because some of them were riding on tractors that cost $20,000.

The Prime Minister's statement today indicates, as the government has done in the past, that the entire burden of fighting inflation is to be placed upon the public sector of our economy. It is the governments which are to cut expenditures. It is the governments which are to reduce their services. It is the governments which are to curtail projects. But no word is mentioned about any curtailment of investment in the private sector, in promotion and advertising, in luxury accommodation and in other projects than can be postponed.

The Prime Minister's statement gives us no information as to what this conference decided with respect to trying to stop rising prices. We have been told repeatedly in the last few weeks when we asked questions that this matter would be dealt with at the federal-provincial conference. But it is perfectly apparent from the statement made today that the government does not intend to deal effectively with price increases. We understand that the consumer credit question has been set aside, and that the provinces have agreed to use what persuasion they can to prevent rent increases.

With reference to price increases, we have no indication whether or not there will be sanctions, whether the Prices and Incomes Commission is to have any teeth to prevent price increases. As a matter of fact, the guidelines that were issued by the Prices and Incomes Commission at the Price Stability Conference indicated that industries and corporations were to inform the commission with respect to price increases but not necessarily in advance of the price increases being put into effect. What does that mean? It means that what we are really witnessing is an attempt at profit maintenance. Many of these industries have raised their prices several times in the last few months. Many of these prices had already resulted in exorbitant profiteering. Now some of the industries are saying that they are prepared to hold the line. It is rather like the old lion who has eaten his fill of meat and who says to the young lions, "Let us go on a vegetarian diet". It is perfectly clear that the government has no intention of having the Prices and Incomes Commission review prices publicly so that the public will know who has been pilfering the consumers' pockets; they have no intention of giving the commission the necessary teeth not only to stop price increases but to roll back those price increases that are unjustified.

Finally, may I say that the Prime Minister's statement and the report of the Tax Structure Committee make it perfectly clear that the policies being pursued by this government are rapidly destroying national unity. The Tax Structure Committee has shown that the federal government will have continuing surpluses and that the provinces and the municipalities will have continuing deficits. Yet the Prime Minister says in his statement that the provinces have made it clear that they intend to make every effort to balance their budgets. If they are going to balance their budgets, the only way they can do it is to curtail services and to cut back on necessary projects such as hospitals, schools and old people's homes. Some of the provinces have already indicated their intention of opting out of joint federal-provincial programs, particularly in the fields of health and welfare. Some of them may have no choice. If they have to cut their expenditures, they may not be able to pay their share of the joint programs, and the Prime Minister's statement today offers them no consolation whatsoever.

National unity in this country does not depend only on linguistic equality. National unity also requires equality of opportunity to enjoy basic social welfare, health and educational services. The course which this government is pursuing is going to make it increasingly difficult for the provinces that are less well off to provide these services for their people. It is ironic that if the Prime Minister, who was elected on a one-Canada program, continues his present policy he will go down in history as having contributed more than any other Prime Minister to the disintegration of Confederation.

[Mr. Douglas (Nanaimo-Cowichan-The Islands).]

[*Translation*]

Mr. André Fortin (Lotbinière): Mr. Speaker, first of all, I wish to point out that I deplore not having received a copy in French of the statement of the Prime Minister (Mr. Trudeau). This might be because of the government's anti-inflation program.

According to the Prime Minister, the conference just ended was a real success. It was with interest that I listened to him on the CBC television network yesterday, giving a lecture on the distribution of tax fields between the federal and the provincial governments, which he concluded by saying that his attitude was indeed logical and that this was a truly efficient anti-inflation policy.

Let us ask ourselves the following question: To what success was the Prime Minister referring?

In reading the two and a half pages of French in the statement handed to us a minute before this sitting began, I note what sort of success the Prime Minister may have had in mind. Here it is:

According to the report, the revenue-expenditure projections indicate a continuing surplus for the federal government, but an increasing deficit at the provincial-municipal level.

In the opinion of the Prime Minister this is success. In any case, if there is a budget surplus at the expense of the provinces and municipalities, it does not matter to him. The essential thing is to achieve some success. This is, therefore, the kind of success that is looked for. But how can this budget surplus be explained? The Prime Minister shows us on the third page of his statement.

But I think it was realistically accepted—

According to the Prime Minister, success is on a par with realistic acceptance.

—it was realistically accepted—

He is referring to the provinces.

—that we cannot reduce our taxes in favour of the provinces, spend more to meet many worthy needs and achieve an anfi-inflationary budget surplus all at one and the same time.

• (2:40 p.m.)

This is the second part of the Prime Minister's argument to explain the success of the conference. He concludes by proving that he is right, that he is the eternal light, the eternal truth and that provinces come to Ottawa only to hear a course in economics given unilaterally, there is no need to say. And he says in conclusion:

> Nevertheless, conditions do change, and I indicated that when we are successful in getting inflation under control, secure the co-operation of the provinces in holding down the costs of joint programs, and complete the reform of the income tax, we will be able to look carefully at the problem of adjusting fiscal resources between levels of government.

In my opinion, that conference may have been a success for the Prime Minister, because he fell for no compromise and he kept the same approach from the beginning to the end, neither yielding nor listening.

However, the conference was surely a source of dissatisfaction and frustration for the provinces. After all, the situation will only deteriorate because the three conditions laid down by the federal government for its co-operation with the provinces are unacceptable in view of the present monetary and economic situation.

When the Prime Minister states that the first condition for that co-operation is to strangle inflation, he knows quite well that these steps are not able to check inflation, and that besides increasing it, they will bring about a serious recession.

Secondly, when he says that he will get the co-operation of the provinces, the Prime Minister should recognize that co-operation must be a two-way proposition, and that the Canadian confederation is only viable to the extent that there is co-operation and a dialogue in which both parties are in earnest.

Thirdly, a review of the tax system is inconceivable unless we first review our monetary system. To talk plain common sense, as the Prime Minister says, he will agree with me that if there was no money there would be no taxation. So, instead of dealing with taxation, bickering for control, why should the Prime Minister and his cabinet not call a responsible federal-provincial conference to discuss a comprehensive monetary reform in Canada, to harness money to the service of the human person, to restore control of money and credit to the Canadian government?

Mr. Speaker, we, in the Ralliement créditiste, insist that the monetary policy is the main reason of the present economical crisis since it directly unbalances the production capabilities and consumption. The anti-inflation measures of the government will have the effect—and the Prime Minister is now quite aware of it even if he finds it very funny—of reducing the buying power of the taxpayers and of increasing unemployment and, consequently, of making richer the richest and poorer the poorest. Here is then the government's just society, here the success the government brags about.

Before completing my remarks, I want to state clearly the position of the Ralliement créditiste. We dissociate ourselves from the policy advocated by the New Democratic Party, to wit, that we should take away from the rich to give to the poor. For our part, we submit that our monetary system should serve the country, and to this aim, the value of our currency should be based on real production, on the real value of our goods, and that our monetary policy should set a constant balance between the production forces and those of consumption, so that production may actually reach its goal, which is consumption. Otherwise, we produce for the sake of production, we only flounder while under the system, and in such a way that the federal government, with its great common sense, will remain omnipotent, in the pay of high financial circles, and the provincial governments will continue to be considered as municipal governments by the federal administration.

Mr. Speaker, all problems are connected and so long as we have not come to grips with the real source of the most serious of them all, that is, the monetary problem, we shall find no solution whatsoever. This is the reason why we state that while we go from the Grits to the Tories and from the Tories to the Grits, the situation remains the same.

[*English*]

MAIN ESTIMATES 1970-71

REFERENCE OF VOTES TO STANDING COMMITTEES

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, with regard to the main estimates 1970-71 and pursuant to the provisions of Standing Order 59 I move, seconded by Mr. Laing:

> That the estimates of sums required for the service of Canada for the year ending March 31, 1971, be referred to the several Standing Committees of the House as follows:

Mr. Knowles (Winnipeg North Centre): Dispense.

Main Estimates 1970-71

Mr. Macdonald (Rosedale): Perhaps, since copies of this document have been given to representatives of the parties, I might have consent to have it printed as though it had been read.

Mr. Speaker: Is it agreed that the document referred to by the President of the Privy Council be taken as read?

Some hon. Members: Agreed.

[*Editor's Note: The balance of the motion follows:*]

To the Standing Committee on Agriculture:

Votes 1, 5, 10, 15, 20 and 25 relating to the Department of Agriculture

Vote 30 relating to the Canadian Dairy Commission

Votes 35 and 40 relating to the Canadian Livestock Feed Board

Vote 45 relating to the Farm Credit Corporation

To the Standing Committee on Broadcasting, Films and Assistance to the Arts:

Votes 1, 5, 10, 15, 20, 25, 30, 35 and 40 relating to the Department of the Secretary of State

Vote 45 relating to the Canada Council

Votes 50 and L55 relating to the Canadian Broadcasting Corporation

Vote 60 relating to the Canadian Radio-Television Commission

Vote 70 relating to the Company of Young Canadians

Vote 75 relating to the National Arts Centre Corporation

Vote 80 relating to the National Film Board

Vote 85 relating to the National Library

Vote 90 relating to the National Museum of Canada

Vote 95 relating to the Public Archives

Vote 20 relating to the Official Languages Commission

To the Standing Committee on External Affairs and National Defence:

Votes 1, 5 and 10 relating to the Department of External Affairs

Votes 15, 20 and L25 relating to the Canadian International Development Agency

Vote 30 relating to the International Joint Commission

Votes 1, 5, 10, 15, 20, 25 and 30 relating to the Department of National Defence

Vote 35 relating to Defence Construction (1951) Limited

To the Standing Committee on Finance, Trade and Economic Affairs:

Votes 1, 5 and 10 relating to the Department of Finance

Votes 1, 5, L10, L15, 20 and 25 relating to the Department of Industry, Trade and Commerce

Votes 1 and 5 relating to the Department of National Revenue

Vote 10 relating to the Tax Appeal Board

[Mr. Knowles (Winnipeg North Centre).]

Vote 25 relating to the Economic Council of Canada

Vote 25 relating to the Tariff Board

To the Standing Committee on Fisheries and Forestry:

Votes 1, 5, 10 and 15 relating to the Department of Fisheries and Forestry

To the Standing Committee on Health, Welfare and Social Affairs:

Votes 10 and L15 relating to the Central Mortgage and Housing Corporation

Votes 1, 5, 10, 15, and 20 relating to the Department of Consumer and Corporate Affairs

Votes 1, 5, 10, 15, 20, 25, 30, 35 and 40 relating to the Department of National Health and Welfare

Votes 45 and 50 relating to the Prices and Incomes Commission

To the Standing Committee on Indian Affairs and Northern Development:

Votes 1, 5, 10, L15, L20, 25, 30, 35, L40, L45, L50, L55, L60, 65, 70 and 75 relating to the Department of Indian Affairs and Northern Development

Vote L80 relating to Northern Canada Power Commission

Vote L85 relating to Northern Transportation Company Limited

To the Standing Committee on Justice and Legal Affairs

Vote 1 relating to the Department of Justice

Vote 1 relating to the Department of the Solicitor General

Votes 5, 10 and 15 relating to the Correctional Services

Votes 20 and 25 relating to the Royal Canadian Mounted Police

To the Standing Committee on Labour, Manpower and Immigration:

Vote 1 relating to the Department of Labour

Vote 5 relating to the Unemployment Insurance Commission

Votes 1, 5, 10, 15 and 20 relating to the Department of Manpower and Immigration

Vote 25 relating to the Immigration Appeal Board

To the Standing Committee on Miscellaneous Estimates:

Vote 15 relating to the Auditor General

Vote 1 relating to the Governor General and Lieutenant Governors

Votes 1 and 5 relating to the Privy Council

Vote 35 relating to the Science Council of Canada

Vote 30 relating to the Public Service Staff Relations Board

Vote 100 relating to the Public Service Commission

Votes 1, 5 and 10 relating to the Department of Supply and Services

Vote 15 relating to Canadian Arsenals Limited

Vote 20 relating to the Canadian Commercial Corporation

Votes 1, 5 and 10 relating to the Treasury Board

Votes 15, 20 and 25 relating to the National Research Council

Vote 20 relating to the Department of Insurance

Vote 30 relating to the Dominion Bureau of Statistics

Vote 25 relating to Information Canada

To the Standing Committee on National Resources and Public Works

Votes 1, 5, L10, 15, 20 and 25 relating to the Department of Energy, Mines and Resources

Votes 30 and 35 relating to the Atomic Energy Control Board

Votes 40, 45, L50, L55, L60 and L65 relating to Atomic Energy of Canada Limited

Vote 70 relating to the Dominion Coal Board

Vote 80 relating to the National Energy Board

Votes 5, 10, 15, 20, 25 and 30 relating to the Department of Public Works

Vote L75 relating to Eldorado Nuclear Limited

To the Standing Committee on Privileges and Elections:

Vote 65 relating to the Chief Electoral Officer

To the Standing Committee on Procedure and Organization:

Vote 1 relating to the Senate

Vote 5 relating to the House of Commons

Vote 10 relating to the Library of Parliament

To the Standing Committee on Regional Development:

Votes 1, 5, 10, L15, L20, L25 and L30 relating to the Department of Regional Economic Expansion

Votes 40, 45 and L50 relating to the National Capital Commission

Vote 35 relating to the Cape Breton Development Corporation

To the Standing Committee on Transport and Communications:

Votes 1, 5, 10, L15, 20, 25, 30, 35, 40 and L45 relating to the Department of Transport

Vote 50 relating to the Canadian National Railways

Votes 55 and 60 relating to the Canadian Transportation Commission

Votes 65, 70, 75 and L80 relating to the National Harbours Board

Votes 85, L90 and 95 relating to the St. Lawrence Seaway Authority

Votes 1 and 5 relating to the Department of Communications

Votes 10 and 15 relating to the Post Office

To the Standing Committee on Veterans Affairs:

Votes 1, 5, 10, 15, 20, L25, 30, 35, 40, 45, 50 and L55 relating to the Department of Veterans Affairs

Mr. Speaker: It has been moved that the estimates to which the minister has referred be referred to certain committees. Is it agreed?

Some hon. Members: Agreed.

Motion agreed to.

• (2:50 p.m.)

[*Translation*]

AGRICULTURE

TABLING OF PETITION BY 25,000 QUEBEC INDUSTRIAL MILK PRODUCERS

Some hon. Members: Hear, hear.

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, I am sure that the applause was for the farmers, not only for the member for Bellechasse.

As member for Bellechasse and member of the Catholic Farmers' Union and the union of industrial milk producers, it is my duty to present the petition of the 25,000 industrial milk producers of Quebec asking for an emergency debate in the House concerning the government's dairy policy. Therefore, with your permission, Mr. Speaker, and in conformity with Standing Order 67 (2), I file the said petition.

Mr. Speaker: I should remind the hon. member that under the provisions of Standing Order 67 he is not allowed to start a debate at this stage. He may only file the petition in question, as he just did in accordance with Standing Orders.

[*English*]

SCIENTIFIC RESEARCH ANIMALS PROTECTION BILL

ASSURANCE OF HUMANE TREATMENT OF LIVE ANIMALS

Mrs. Grace MacInnis (Vancouver-Kingsway) moved for leave to introduce Bill C-189, for the protection and humane treatment of animals used in scientific research.

Some hon. Members: Explain.

Mrs. MacInnis: Mr. Speaker, this bill is intended to support and emphasize the purposes of Bill C-94, standing in the name of the hon. member for Victoria. Its purpose is to provide legislative machinery to assure humane treatment for live animals used in scientific research for which grants are provided by the government of Canada. It is the intent of this bill to cover all phases of protection for animals used in such research, including general policy, the conditions in which animals are kept while on the premises, and the sources of supply where such animals are purchased.

Motion agreed to, bill read the first time and ordered to be printed.

Questions

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

RESEARCH STUDIES UNDERTAKEN BY CTC

Question No. 12—**Mr. Skoberg:**

1. For the fiscal years 1968-69 and 1969-70, what specific research studies have been undertaken by the Research Division of the Canadian Transport Commission?

2. Who are the individuals involved in these studies, and when is it anticipated that these studies will be completed?

Mr. Gérard Loiselle (Parliamentary Secretary to Minister of Transport): 1. During the fiscal years 1968/69 and 1969/70, the following studies were undertaken by the Research Division of the Canadian Transport Commission in consultation with other federal government departments, where appropriate.

Fiscal year	Study	Estimated completion date
1969/70	1. A survey of the travel pattern and the significant demands and characteristics of the travelling public on certain important intercity routes.	Completed
1968/69 1969/70	2. The impact of new transport technology on these intercity routes.	April 1970 (First phase)
1969/70 1970/71	3. To determine the role of Containerization in Canada and the needs for facilities.	Spring 1971
1969/70	4. A survey of air transport facilities in the North.	April 1970
1969/70	5. The most economical means of resupplying Arctic bases.	February 1970
1969/70	6. An examination of the transportation needs of the Gaspé and adjacent areas in light of the FRED/ARDA agreement for development of the Gaspé, Lower St. Lawrence, and Magdalen Islands.	March 1970
1969/70	7. Computer programmes to facilitate the development of an optimal investment pattern for transportation.	Completed
1969/70	8. Feasibility of a deep water Atlantic port.	April 1970
1969/70 1970/71	9. A research programme into the transportation of grain in support of the Grains Policy Group.	First project will be completed April 1970
1969/70 1970/71 and beyond	10. Design of a transportation information data bank in conjunction with the Dominion Bureau of Statistics and other departments.	Development over several years
1969/70 1970/71	11. A case for establishing a Canadian Merchant Marine.	April 1970
1969/70	12. A review of the long-term research needs in guided ground transport.	Spring 1970
1969/70	13. The development of technological forecasting techniques.	Completed
1969/70	14. A preliminary investigation of the technological impedances affecting the introduction of STOL.	Completed
1969/70	15. The potential use of capsule pipelining in Canada.	June 1970

[Mrs. MacInnis.]

In addition to these specific research studies, a large amount of research work of a more general nature has been undertaken to provide a background for the more extensive work program now being planned.

2. The foregoing studies were undertaken either by consultants or by staff of the Research Division of the Canadian Transport Commission, under the direction of the Vice-President (Research).

The following is a list of the consultants used in the research program:

Study No. 2

Part of this study was conducted by Deleuw, Cather and Associates.

Study No. 3

This study is being undertaken by the Matson Research Corporation, heading a consortium of Canadian consultants composed of Hedlin, Menzies and Associates Ltd., Swan Wooster Engineering Co. Ltd., and Stikeman, Elliott, Yamaki, Mercier & Robb.

Study No. 6

Parts of the study were contracted to La Société Lalonde, Valois, Lamarre, Valois & Associés.

Study No. 11

This study was contracted to Hedlin, Menzies and Associates Ltd., George G. Sharp, Inc., and Gibson Transportation, Ltd.

YARMOUTH, N.S.—AIR CANADA FACILITIES

Question No. 303—**Mr. Comeau:**

1. Does the Department of Transport have plans for the removal of Air Canada facilities at Yarmouth, N.S. and, if so, on what date will they be implemented?

2. Will a similar service be provided by some other airline?

3. Have moneys budgeted over the past two years, for the construction of new terminal facilities been cancelled and, if so, what amounts, and for what purpose have they been designated?

4. Has business declined or increased at Yarmouth Airport over the past five years and what statistics prove this?

5. Is the government considering the removal of Air Canada services at other airports and, if so, which ones will be affected?

Mr. Gérard Loiselle (Parliamentary Secretary to Minister of Transport): 1 and 2. The question of transfer of any domestic point currently served by Air Canada to any other carrier was covered by a statement made on August 15, 1969, on Regional Air Carrier Policy. That statement indicated that the Canadian Transport Commission and its Air Transport Committee would determine which routes are suitable for the Regional Carriers. As also pointed out in that statement, the application of the policy by the Canadian Transport Commission will be conducted in consultation with Mainline and Regional Carriers.

3. Moneys were budgeted in 1968-69 in the amount of $200,000 for a new Air Terminal Building at Yarmouth. Construction of the Air Terminal at Yarmouth was delayed until an assessment of the future of Yarmouth could be made by the Canadian Transport Commission.

The $200,000 budgeted in 1968-69 was used to construct an Operations Building at Yarmouth at a cost of $141,000. Additional funds were provided for runway repairs at Yarmouth amounting to $125,000.

4. Statistics indicating the total of enplaned and deplaned passengers at Yarmouth Airport over the past five years is as follows: 1963, 17,000; 1964, 16,700; 1965, 18,800; 1966, 20,700; 1967, 23,400; 1968, 26,900.

5. It will be appreciated that a number of complex problems have to be resolved. Until this is done no announcement can be made regarding the future of any of the points that may be transferred.

RADIO ENGINEERING PRODUCTS, CAMPBELLTON, N.B.

Question No. 656—**Mr. Burton:**

1. What was the amount of financial assistance given to Radio Engineering Products, Campbellton, New Brunswick, by the Departments of Defence Production, Industry, Regional Economic Expansion and Industry, Trade and Commerce for each year since assistance was first granted?

2. What was the amount of assistance given through the Defence Industry Productivity Program known as DIP for each year since assistance was first granted and in what form and on what basis was assistance given?

3. What does Radio Engineering Products manufacture, where are their products sold and what is the value of sales for each year it has received a federal subsidy?

4. What was the minimum wage paid to its female employees in 1966, 1967, 1968 and 1969?

5. What was the minimum wage paid to its male employees in 1966, 1967, 1968 and 1969?

Questions

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): I am informed by the Departments of Industry, Trade and Commerce and Labour as follows:

1. Department	Year	Amount	Program
Former Dept. of Defence Production	1961	$450,000	Defence Development Sharing*
Former Dept. of Industry	1966	330,868	Defence Development Sharing
Former Dept. of Industry	1967	191,863	Defence Development Sharing
Industry, Trade and Commerce	1968	521,270	Defence Industry Productivity

*Responsibility transferred to former Department of Industry in 1964.

2. Assistance provided through the Defence Industry Productivity Program was $521,270 for the year 1968. The assistance was provided under the terms and conditions of the program to sustain technological capability in Canadian industry by supporting selected defence development programs on terms and conditions approved by the Treasury Board.

3. Radio Engineering Products Ltd. is engaged in the manufacture of multiplex communication equipment designed to permit multi-telephone and teleprinter channels to be carried simultaneously over a single radio path.

The bulk of company sales have been to allied countries and include: Mobile NATO communication centres in Europe; communications for military forces of U.S.A., Sweden, Australia and New Zealand; installation of an early NASA missile tracking system at Cape Kennedy.

The value of sales made by Radio Engineering Products Ltd. for the years during which financial assistance by the Crown has been provided is as follows:

Year	Value of Sales
1961	$11,270,000
1966	2,480,000
1967	3,230,000
1968	16,560,000

4 and 5. We are informed that the same minimum rates apply to both male and female employees: 1966—90 cents per hour, increasing to 98 cents after five months. 1967—$1 per hour, increasing to $1.09 after five months. 1968—$1.08 per hour, increasing to $1.18 after five months. 1969—$1.17 per hour, increasing to $1.27 after five months.

UNEMPLOYMENT INSURANCE CONTRIBUTIONS AND PAYMENTS

Question No. 749—**Mr. Orlikow:**

1. What has been the total contributions received by the Unemployment Insurance Commission from the Employer-Employee Contributions since the inception of the scheme until December 31, 1968?

[Mr. Burton.]

2. What has been the total payment made from the plan since its inception until December 31, 1968, for those who normally qualify?

3. What has been the total paid out for those who qualified under the special provision for supplementary payments, during the same period from the commencement of the plan until December 31, 1968?

4. What has been the total net payment from the federal government to the plan since the commencement until December 31, 1968?

5. What is the breakdown of the government payments?

Hon. Bryce Mackasey (Minister of Labour):

1. $5,144,285,426.20.

2. Total regular benefit payments, $5,015,481,848.56.

3. Seasonal benefit, $1,051,785,622.59.

4. $1,027,165,679.18.

5. An amount equal to ⅛ of the employees' and employers' contributions.

FRENCH VERSION OF BILLS—REPLACEMENT OF WORD "BILL"

Question No. 775—**Mr. Fortin:**

Does the government intend to replace the word "bill" by the expressions "projet de loi" or "proposition de loi" in the French version of bills presented by the government or by Private Members?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): In the Standing Orders of the House of Commons the French wording of "bill" is "bill". It would be necessary to change the Standing Orders of the House of Commons in order to adopt the wording "projet de loi".

DEPARTMENT OF FISHERIES AND FORESTRY EMPLOYEE DISMISSALS

Question No. 793—**Mr. Dumont:**

1. How many employees in the Department of Fisheries and Forestry have been dismissed because of the austerity programme?

2. Of this number, how many were bilingual?

3. How many spoke only English?

4. How many spoke only French?

Mr. E. F. Whelan (Parliamentary Secretary to Minister of Fisheries and Forestry): 1. None. However, 137 employees have been advised that they are surplus and that they have been reported to the Public Service Commission for reassignment. Of this number, four are bilingual, 120 speak English only and 13 speak French only.

2. Not applicable.

3. Not applicable.

4. Not applicable.

BEDFORD BASIN POLLUTION STUDY

Question No. 823—**Mr. McCleave:**

1. Was a study, carried out within the Department of Fisheries and Forestry concerning pollution in the Bedford Basin, made available to the City of Halifax?

2. Was the study made available to the Government of Nova Scotia or any department thereof?

3. Who carried out the study and who decided on the distribution of it?

4. To whom was the study distributed?

Mr. E. F. Whelan (Parliamentary Secretary to Minister of Fisheries and Forestry): 1. Yes.

2. Yes.

3. Fisheries Research Board, Marine Ecology Laboratory, Dartmouth, Nova Scotia.

4. The studies were part of a continuing program to describe physical and biological oceanographic changes in Bedford Basin. Two reports were issued, the first being FRB Technical Report No. 120 which was distributed to a rather wide and standard mailing list; the second was distributed to the Regional Director of the Fisheries Service and on request to consultants for the City of Halifax and to the Nova Scotia Water Resources Commission.

DEATH OF CREW MEMBERS, HMCS "BONAVENTURE"

Question No. 824—**Mr. McCleave:**

1. What was the cause of death of four crew members of *HMCS Bonaventure* late in 1969?

2. Were the victims cleaning out an aviation fuel tank at the time?

3. Did they have special equipment at hand in the event of accident, and specifically, was any harness and was any gas mask at hand?

4. What was the rank of the senior man at the scene and what orders did he give when the accident began to develop?

5. What instructions are given to personnel with regard to (a) going into such tanks for cleaning operations (b) coping with accidents in which people are apparently overcome by fumes in the tanks?

6. If instructions were given in accordance with Part 5 (b), were they disregarded and, if so, for what reason?

7. (a) Has an inquiry been held into the cause of the fatalities and what were the conclusions and findings (b) what action will follow as a result of such inquiry?

Hon. Léo Cadieux (Minister of National Defence): 1. Asphyxiation resulting from the inhalation of aviation gasoline fumes.

2. Two of the victims had been involved in the cleaning of an aviation gasoline tank. The other two victims had entered the tank in a rescue attempt.

3. Due to the internal configuration of the saddle tank there are no clear passageways where lifelines and harnesses may safely be employed. The standard breathing apparatus normally available during the tank cleaning process was being used by another party in the after tanks where it was considered there was an aviation gasoline fume hazard. As a result there was no special equipment on hand in the saddle tank at the time of the incident.

4. The rank of the senior man at the scene when the first man became affected by the gas fumes was a Master Seaman. When he became aware that one of the two men working in the tank below him was in difficulty he made his way down into the tank and through a series of bays to reach the affected man. With the assistance of the other man who had been working in the tank, he attempted to move the affected man from the immediate area by pulling him through a hole to an adjoining bay and toward an exit ladder. Because of the confined space and the fact that the affected man was nearly unconscious the rescue attempt was ineffective. During the rescue attempt, the Master Seaman had himself become affected by the fumes and realizing that help was required, left the tank to obtain aid.

5. Basic safety regulations for the venting and cleaning of aviation gasoline tanks are prescribed in service regulations. Copies are available in the Air Engineering Office and in the Avgas Party Ready Room aboard the carrier. These are required to be read and understood by personnel dealing with aviation gasoline. These regulations include instructions regarding the testing of the atmosphere prior to entry, the wearing of breathing apparatus until the atmosphere is

proven safe, the wearing of protective clothing, procedure to be followed and equipment on hand to cope with the rescue of personnel who get into difficulties in the tank.

6. On this occasion no briefings were given prior to the personnel entering the tanks concerning the toxic effect of aviation gasoline fumes or on procedures for dealing with the rescue of personnel who might be overcome by fumes.

7. (a) Yes, a Service Board Inquiry has been held. It was the opinion of the Board that the personnel in question died on duty and that they were not to blame for their own deaths. Among the Board's recommendations were that all personnel concerned with the aviation fuels be given a special course in the Fleet School as a prerequisite for such employment. The Board considered that more emphasis must be placed upon the training of personnel employed in the handling of aviation gasoline on the dangerous nature of the product with which they are dealing, and the extremely serious consequences which are likely to occur if the regulations are not adhered to; and that in future, gas freeing of high octaine aviation fuel storages be carried out using other available, safer and more effective venting and cleaning procedures; (b) Action is being taken to implement the recommendations of the Board of Inquiry.

OTTAWA INTERNATIONAL AIRPORT—TAXI CONTRACT

Question No. 849—**Mr. Dumont:**

1. For how many years has the contract been awarded to Red Line Taxi Company for limousine service at the Ottawa International Airport?

2. What was the amount of this contract?

Mr. Gérard Loiselle (Parliamentary Secretary to Minister of Transport): 1. In 1947 Red Line Taxi entered into an agreement with the Department for ground transportation at Uplands Airport. Prior to this they operated by an arrangement with Air Canada (TCA).

The original agreement was superseded by a contract in 1952. In 1964 a new five year contract was negotiated. This contract terminated in December 1968 and was renewed on a year to year basis.

2. 1947-1964 at 10 per cent of the gross revenue. 1964-1968 at 10 per cent of the gross revenue from the limousine service plus 20 cents per occupied taxi departure from the Air Terminal Building. 1969- 5 per cent of the gross revenue from the limousine service plus 15 cents per occupied taxi departure from the Air Terminal Building.

BRITISH COLUMBIA—INDIAN AFFAIRS COMMUNITY DEVELOPMENT EMPLOYEES

Question No. 864—**Mr. Nesbitt:**

1. How many community development officers or community development workers were on the staff of the Department of Indian Affairs and Northern Development in British Columbia as of November 30, 1969?

2. How many community development officers or community development workers were on the staff of the Department of Indian Affairs and Northern Development in British Columbia as of November 30, 1968?

3. Is it the policy of the Department to reduce the number of community development officers or community development workers employed by the Department in British Columbia and, if so, is that for reasons of austerity or if for other reasons, what are they?

4. Has the Department received communications from spokesmen of the Indian people in British Columbia to the effect that there is a need for more community development workers in British Columbia and, if so, from whom have these complaints come and what was the response in each case?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): 1. Twelve.

2. Fourteen.

3. No.

4. Yes, from Mr. Simon J. Reece, Chairman, North Coast District Council. The reply stated that there were no cutbacks in community development services in British Columbia although reassignment to different communities based on need did occur. Mr. Reece was assured in the letter that any community's request for the services of a community development worker would be given every consideration.

LAC SAINT-JEAN, QUE.—PUBLIC WORKS PROJECTS

Question No. 882—**Mr. Lessard (Lac-Saint-Jean):**

1. What projects have been carried out by the Department of Public Works in the constituency of Lac Saint-Jean during 1968-69 and 1969-70 to date, and what was the cost of each?

2. How many projects will be completed or begun between now and the end of the current fiscal year in the constituency of Lac Saint-Jean?

[*Translation*]

Hon. Arthur Laing (Minister of Public Works):

1. Fiscal Year

Fiscal Year	Location	Project	Cost $
1968-69	Alma	Federal Building—Maintenance	28,001.
	Alma	Canada Manpower Centre—Maintenance	10,738.
	Boulanger	Post Office—Maintenance	1,221.
	Desbiens	Post Office—Maintenance	1,550.
	Dalmas	Post Office—Maintenance	842.
	Delisle	Post Office—Maintenance	1,779.
	Hebertville	Post Office—Maintenance	2,361.
	Hebertville Station	Post Office—Maintenance	2,107.
	Lac Sainte Croix	Post Office—Maintenance	574.
	Langlais	Post Office—Maintenance	1,465.
	Milot	Post Office—Maintenance	853.
	Metabetchouan	Post Office—Maintenance	2,388.
	Peribonca	Post Office—Maintenance	1,266.
	Saint Ambroise	Post Office—Maintenance	1,611.
	Saint Gedeon	Post Office—Maintenance	747.
	Saint Gedeon Belle Rivière	Wharf reconstruction	5,352.
	Saint Leon	Post Office—Maintenance	1,092.
	Sainte Monique	Post Office—Maintenance	811.
	Saint Nazaire	Post Office—Maintenance	1,452.
	Taillon	Post Office—Maintenance	921.
1969-70	Alma	Federal Building—Maintenance	13,268.
	Baie Moise	Improvements to wharf approach	5,002.
	Boulanger	Post Office—Maintenance	1,826.
	Dalmas	Post Office—Maintenance	686.
	Delisle	Post Office—Ground improvements	3,015.
	Desbiens	Post Office—Maintenance	2,553.
	Hebertville	Post Office—Maintenance	2,008.
	Hebertville	Post Office—Ground improvements	4,773.97
	Hebertville Station	Post Office—Maintenance	1,094.
	Lac Sainte Croix	Post Office—Ground improvements	1,320.
	Lac Sainte Croix	Post Office—Maintenance	1,125.
	Langlais	Post Office—Maintenance	1,534.
	Metabetchouan	Post Office—Maintenance	2,239.
	Milot	Post Office—Maintenance	498.
	Milot	Post Office—Ground improvements	1,600.
	Peribonca	Post Office—Maintenance	992.
	Peribonca	Post Office—Ground improvements	1,608.
	Peribonca	Wharf repairs	350.
	St. Ambroise	Post Office—Maintenance	1,845.
	St. Gedeon Belle Riviere	Slip repairs	2,375.
	St. Gedeon	Post Office—Maintenance	1,038.
	St. Gedeon des Iles	Access road to wharf	4,243.
	St. Leon	Post Office—Maintenance	1,666.
	Ste. Monique	Post Office—Maintenance	995.
	St. Nazaire	Post Office—Maintenance	1,270.
	Taillon	Post Office—Maintenance	492.

2. Works to be completed before March 31, 1970.

Location	Project	Cost
Delisle	Slip and wharf repairs	1,012.
Desbiens	Slip repairs	2,000.
Ste. Monique	Slip repairs	1,400.

Questions

[*English*]

PARRSBORO, N.S.—CONSTRUCTION OF NEW POST OFFICE

Question No. 885—**Mr. Coates:**

1. On what date will tenders be called for the construction of a new post office at Parrsboro, N.S.?

2. Where will the temporary post office be located at Parrsboro during the period of construction of the new post office?

Hon. Arthur Laing (Minister of Public Works): 1. March 1970.

2. Parrsboro Elementary School Auditorium.

RESTORATION OF CONSTITUTIONAL CONFERENCES BUILDING

Question No. 913—**Mr. Rondeau:**

1. How many tenders were received for the restoration of the Constitutional Conferences Building?

2. What were the amounts?

3. Who was given the job?

4. What was the amount of the successful tender?

5. On what date were tenders called?

[*Translation*]

Hon. Arthur Laing (Minister of Public Works): 1. Five selected contractors were invited to submit tenders quoting a lump sum fee for carrying out the work on a management basis. This type of contract was used as it was the only way in which the work could be completed in the time available.

2.

Contractor	Tender on Management Fee
The Foundation Company of Canada Ltd.	$20,000.
Thomas Fuller Construction Co. (1958) Ltd.	23,750.
L'Abbe Construction Ltd.	33,333.
Richard and B. A. Ryan Ltd.	35,777.
C. A. Johannsen & Sons Ltd.	43,500.

3. The contract was awarded to the Foundation Company of Canada Limited.

4. The Foundation Company of Canada will be paid a management fee of $20,000. plus the actual cost of completing the work. This firm's accounts are being audited at present and the final cost has not been established. The final contract amount including fee will be about $659,000.

5. Tenders were called on August 12, 1969.

[*English*]

SOUTH SHORE CONSTITUENCY—CLOSURE OF POST OFFICES

Question No. 927—**Mr. Crouse:**

1. How many post offices have been closed in the constituency of South Shore since June 25, 1968?

2. How many additional offices does the Post Office Department intend to close?

3. What are the names of the localities where post offices have already been closed and what are the names of the localities where future closures will take place?

4. What alternative service was provided to these patrons of the Post Office Department?

5. How many localities have had their mail deliveries cut from six to three days per week?

Hon. Eric W. Kierans (Postmaster General and Minister of Communications): 1. Thirteen.

2. Seventeen.

3, 4 and 5. See following:

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3. (a) Post Office	4. Alternate Service
Mosher Island	Bush Island Post Office
Round Bay	North East Harbour and Shelburne Stage Service—group mail boxes
Glen Haven	Tantallon R.R. No. 1
French Village	Tantallon R.R. No. 1
Rockland	East Side Ragged Island Post Office
Voglers Cove	Mill Village R.R. No. 2
Glen Margaret	Tantallon R.R. No. 1
Hacketts Cove	Tantallon R.R. No. 1
Indian Harbour	Tantallon R.R. No. 1
Pleasantfield	Caledonia and Liverpool Stage Service—group mail boxes
Molega	South Brookfield R.R. No. 1
Martins Point	Mahone Bay R.R. No. 2
Northfield	Caledonia and Maitland Bridge Highway Service—group mail boxes.

3. (b) Birchtown, Broad Cove, Cherry Hill, East Port Medway, East Side Port-Hébert, Gunning Cove, Indian Point, Kempt, North East Harbour, Port Clyde, Port Saxon, Robinsons Corner, Roseway, Carleton Village, New Grafton, St. Catherines River, and West La Have.

5. None.

Questions

EQUALIZATION PAYMENTS TO PROVINCES

Question No. 931—**Mr. Forest:**

How much has each province received annually in equalization payments since their inauguration following agreements between the federal and provincial governments?

Hon. E. J. Benson (Minister of Finance): The equalization payments to the provinces since their inauguration in fiscal year 1957-58 are set out in the following table.

THE EQUALIZATION PAYMENTS TO THE PROVINCES
(in thousand of dollars)

Fiscal Year		Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Total
1. 1957–58	$	11,579	2,955	17,375	8,645	43,060	—	13,932	19,197	14,744	4,491	135,978
2. 1958–59	$	12,155	3,074	15,575	8,651	55,004	—	12,889	19,862	7,991	8,237	143,438
3. 1959–60	$	14,292	3,005	20,665	16,864	68,631	—	12,981	20,180	15,109	11,258	182,985
4. 1960–61	$	15,391	3,454	21,019	17,416	70,365	—	14,104	23,723	17,511	5,926	188,909
5. 1961–62	$	11,194	2,811	18,172	16,006	62,632	—	11,933	21,222	14,862	5,902	164,734
6. 1962–63	$	13,517	3,073	19,529	15,514	77,755	—	15,212	27,646	8,107	−3,710	176,643
7. 1963–64	$	14,985	3,821	19,051	16,479	70,216	—	13,625	22,404	6,837	—	167,418
8. 1964–65	$	18,373	5,464	26,200	22,925	103,142	—	21,578	24,055	4,818	—	226,555
9. 1965–66	$	22,163	6,033	35,519	35,696	125,192	—	25,342	26,676	492	−2,102	275,011
10. 1966–67	$	29,007	7,243	41,561	35,141	155,529	—	32,648	34,289	293	−196	335,515
11. 1967–68	$	65,169	13,602	70,562	62,188	229,411	—	41,040	21,885	1,551	—	505,408
12. 1968–69	$	72,745	14,247	83,577	74,904	284,004	—	40,413	18,829	—	—	588,719
13. 1969–70 estimated	$	85,920	16,734	91,279	83,347	361,469	—	41,922	10,495	184	—	691,350

Questions

NOVA SCOTIA—WHARF REPAIRS

Question No. 950—**Mr. Muir (Cape Breton-The Sydneys):**

1. What repairs are to be carried out by the Department of Public Works to the wharf at (a) Point Edward (b) Sydney, Nova Scotia?

2. When will such repairs be completed and what is the estimated cost of same?

Hon. Arthur Laing (Minister of Public Works): 1. (a) Point Edward, Nova Scotia, repairs to Main Jetty. (b) Sydney, Nova Scotia, repairs of two overhead doors at warehouse, repair leads in roof of warehouse, repairs to floor of warehouse, paving.

2. The paving and repairs to warehouse floor should be completed by August 1970. All other repairs should be completed by February 1970. The estimated cost of repairs is $28,550.

SIMULTANEOUS TRANSLATION

Question No. 963—**Mr. Coates:**

1. Were changes effected in the Exchequer Court and Supreme Court of Canada that would allow for a simultaneous translation in either the English or French language and, if so, what was the cost of carrying out the changes in question?

2. How many additional translators have been employed by the federal government since the passage of the Official Languages Bill for employment with the Exchequer Court and Supreme Court of Canada?

3. What will be the cost to the federal treasury in a full year for the additional translators who will be employed by the two courts?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): 1. Yes. Interpretation booths, wiring, etc., were installed in the four court rooms at a total cost of $29,160.

2. Pending approval by Treasury Board of a Legal and Judicial Branch within the Translation Bureau, seven translators with legal training (as distinct from interpreters) have been detached from the Bureau's other programs to the Supreme Court and the Exchequer Court.

3. Assuming that the Bureau's program is approved and the positions involved classified and filled, the initial cost to the Federal Treasury of the 10 additional translator positions and the four support staff positions which are recommended for the two courts, will be between $143,938 (minimum salaries) and $165,224 (maximum salaries) plus an estimated $10,000 for equipment, supplies, etc.

EXTENSION OF AIRSTRIP, GREENFIELD, N.S.

Question No. 985—**Mr. Crouse:**

Is it the intention of the federal government to assist in financing the extension of an air strip being developed at Greenfield, Queens County, Nova Scotia, from the planned 3,000 feet to 4,000 feet and, if so, (a) what amount of funds will be set aside for this extension (b) when will these funds be made available?

Mr. Gérard Loiselle (Parliamentary Secretary to Minister of Transport): No.

FINANCIAL ASSISTANCE TO ROYAL SOCIETY

Question No. 994—**Mr. Broadbent:**

Does the Royal Society of Canada receive financial assistance from the Canada Council and the National Research Council and, if so, for each of the last ten fiscal years, what are the amounts of this financial assistance?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council):

National Research Council of Canada

	$
1960-61	17,000
1961-62	17,000
1962-63	17,000
1963-64	17,000
1964-65	17,000
1965-66	17,000
1966-67	17,000
1967-68	17,000
1968-69	17,000
1969-70	17,000

Canada Council

1960-61 to 1968-69	$10,000 per year for activities in the social sciences and humanities
1969-70	$15,000 for activities in the social sciences and humanities, and $2,700 for the publication of volumes II and III of *La Civilisation au Canada français*, a series of studies edited by Professor Leopold Lamontagne.

"BONAVENTURE" ACCIDENT INQUIRY

Question No. 1,028—**Mr. MacLean:**

Has the board of inquiry into the case of the accident on board of aircraft carrier *Bonaventure* on December 3, 1969, completed its investigation and, if so, what were the findings of the board of inquiry?

Mr. D. W. Groos (Parliamentary Secretary to Minister of National Defence): Attention is directed to reply given this day to Question No. 824 by Mr. McCleave (Halifax-East Hants).

Questions

UNREDEEMED PERPETUAL BONDS ISSUED IN 1936

Question No. 1,043—**Mr. Crouse:**

What is the amount of outstanding unredeemed Perpetual Bonds as issued by the federal government at a 3 percent interest rate in 1936?

Hon. E. J. Benson (Minister of Finance): See question No. 960 which was answered on February 9, 1970.

CASH DEPOSITS IN CHARTERED BANKS

Question No. 1,128—**Mr. Mather:**

What is the approximate total amount of cash deposits in current and other non-interest bearing accounts in the chartered banks?

Hon. E. J. Benson (Minister of Finance): Current deposits of the public payable on demand in Canadian currency at chartered banks on December 31, 1969 were $7,036,909,000. There were also deposits by Canada, provincial governments and other banks, payable in Canadian currency, an unknown part of which would be non-interest bearing.

HURON CONSTITUENCY—CONSTRUCTION OF FEDERAL BUILDINGS

Question No. 1,189—**Mr. McKinley:**

Is the government planning for the construction of any new federal buildings in the constituency of Huron during the period January 1, 1970 to March 31, 1971 and, if so, what will be the purpose of the new buildings and where will they be located?

Hon. Arthur Laing (Minister of Public Works): No.

QUESTIONS PASSED AS ORDERS FOR RETURNS

PAVING OF ALASKA HIGHWAY

Question No. 320—**Mr. Borrie:**

1. Has the government undertaken or will it undertake meetings with the Government of British Columbia and the Government of the United States to ascertain (a) respective participation in preparing the Alaska Highway for paving (b) the respective participation in paving the Alaska Highway?

2. What was the traffic count on the Alaska Highway in the years 1960 to 1969 inclusive for the following sections (a) Dawson Creek-Fort St. John, B.C. (b) Fort St. John-Fort Nelson, B.C. (c) Fort Nelson, B.C.-Watson Lake, Yukon Territory (d) Watson Lake-Whitehorse, Yukon Territory (e) Whitehorse-Yukon, Alaska Border?

3. What was the cost of maintaining the Alaska Highway from Dawson Creek, B.C., to the Yukon, Alaska Border in the years 1950 to 1969 inclusive?

[Mr. Groos.]

4. In what year was maintenance of the Alaska Highway put to public tender?

Return tabled.

EXPENDITURES FOR OVERTIME WORK

Question No. 404—**Mr. Barnett:**

1. For each month, from January 1, 1969 to September 30, 1969, what have been the expenditures for regular civil servants working on an overtime basis for each federal government department?

2. Is it anticipated that there will be significant federal government expenditures for overtime work this fiscal year due to the current freeze on civil service hirings?

Return tabled.

UNIONS IN CANADA

Question No. 494—**Mr. Robinson:**

1. How many unions are there in Canada, what are their names and how many people belong to each union?

2. How many unions in Canada are affiliated with American unions and how many people belong to each union so affiliated?

3. How many international unions are represented in Canada, what are their names, where is the head office of each and how many Canadians belong to such unions?

4. How much money is paid by Canadians to international unions, where does the money go, how is it used and what benefits are derived by Canadians as a result of such payment?

Return tabled.

AVERAGE ANNUAL SALARY

Question No. 657—**Mr. Fortin:**

1. What is the average annual salary in Canada?

2. How many people in Canada earn less than $3,000?

3. What measures will the government take to fight poverty in Canada?

Return tabled.

MOTION TO ADJOURN UNDER S.O. 26

POST OFFICE

MONTREAL POSTAL DISPUTE

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I ask leave, seconded by the hon. member for Sainte-Marie (Mr. Valade), to move the adjournment of the House under Standing Order 26 for the purpose of discussing a specific and important matter requiring urgent consideration, namely, the

postal slowdown in the city of Montreal which has crippled mail service, a concern which is within the administrative responsibility of the government of Canada and which has presently reached crisis proportions.

[*Translation*]

Mr. Speaker: The hon. member for Peace River (Mr. Baldwin) has given the Chair the required notice under Standing Order 26. I must inform hon. members of the concern and uncertainty which I feel about the motion brought in by the hon. member.

On the other hand, I do not think that I can leave out of consideration the virtual commitment I gave the Leader of the Opposition (Mr. Stanfield) and hon. members, when I suggested that before that question could be examined by the House, it would be advisable to wait for the results of talks between the minister and the labour representatives. It seems that those talks were not successful or fruitful as it could have been expected. Under the circumstances, and in view, as I said, of the position which I ventured to take yesterday, when the motion was brought in by the Leader of the Opposition, I think, even with my misgivings and concern about that matter, that I should put the motion to the House.

And having come to this decision, I am asking the House if the hon. member for Peace River has leave to introduce the motion in order that the matter mentioned by him earlier may be discussed.

[*English*]

Has the hon. member for Peace River leave to move the motion for the purpose of discussing the matter stated by him? Agreed?

Some hon. Members: Agreed.

Mr. Speaker: The proposed motion shall stand over until 8 p.m. this day.

[*Translation*]

MOTIONS FOR PAPERS

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, notices of motions for the production of papers Nos. 183, 184, 185, 222, 224, 227, 235, 287, 295, 298, 321, 326 and 341 are acceptable to the government.

[*English*]

Mr. Speaker: Is it the pleasure of the House that Notices of Motions Nos. 183, 184, 185, 222, 224, 227, 235, 287, 295, 297, 298, 321, 326 and 341 be deemed to have been adopted?

Some hon. Members: Agreed.

PUBLIC ATTITUDES TOWARD HOUSING

Motion No. 183—**Mr. Skoberg:**

That an Order of the House do issue for a copy of the consultant report prepared for Central Mortgage and Housing Corporation in 1966, regarding a survey of public attitudes towards housing, as mentioned in answer to Question Number 1,323 of the past Session.

Motion agreed to.

CMHC ADVERTISING POLICY

Motion No. 184—**Mr. Skoberg:**

That an Order of the House do issue for a copy of the consultant report undertaken for Central Mortgage and Housing Corporation in 1967 regarding the development of an advertising policy for CMHC, as mentioned in answer to Question Number 1,323 of the past Session.

Motion agreed to.

USE OF TELEVISION FOR ADVERTISING BY CMHC

Motion No. 185—**Mr. Skoberg:**

That an Order of the House do issue for a copy of the consultant study prepared for Central Mortgage and Housing Corporation in 1968 to explore the best ways in which television could be used by CMHC as an advertising medium, as mentioned in answer to Question Number 1,323 of the past Session.

Motion agreed to.

DEVELOPMENT OF POLICY AND PROGRAMS FOR DAIRY INDUSTRY

Motion No. 222—**Mr. Skoberg:**

That an Order of the House do issue for a copy of the consultant report on the development of policy and programs for dairy industry undertaken for the Department of Regional Economic Expansion in the fiscal year 1967-68, as mentioned in answer to Question Number 1,323 of the past Session.

Motion agreed to.

BARRIERS TO MANPOWER MOBILITY

Motion No. 224—**Mr. Skoberg:**

That an Order of the House do issue for a copy of the study of Barriers to Manpower Mobility undertaken for the Department of Regional Economic Expansion in the fiscal year 1967-68, as mentioned in answer to Question Number 1,323 of the past Session.

Motion agreed to.

Motions for Papers

EVALUATION CRITERIA, ARDA AND FRED

Motion No. 227—**Mr. Skoberg:**

That an Order of the House do issue for a copy of the consultant report on evaluation criteria, ARDA and FRED and computer programs undertaken for the Department of Regional Economic Expansion in the fiscal year 1968-69, as mentioned in answer to Question Number 1,323 of the past Session.

Motion agreed to.

FORESTRY ADMINISTRATIVE SERVICE REQUIREMENTS

Motion No. 235—**Mr. Skoberg:**

That an Order of the House do issue for a copy of the consultant report by Woods, Gordon and Company undertaken for the Department of Fisheries and Forestry on organizational study related to the administrative service requirements in the Forestry branch, as mentioned in answer to Question Number 1,323 of the past Session.

Motion agreed to.

MICROWAVE TRANSMISSION CHARGES, MARITIME TELEPHONE AND TELEGRAPH COMPANY

Motion No. 287—**Mr. Rose:**

That an Order of the House do issue for a copy of all correspondence between the Department of Communications and Mr. Finlay MacDonald, President of CJCH Limited of Halifax regarding Maritime Telephone and Telegraph Company and financial costs related to microwave transmission.

Motion agreed to.

CONSTITUTIONAL CONFERENCE AGENDA AND PROPOSALS

Motion No. 295—**Mr. Burton:**

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 Government of Canada and the governments of the provinces concerning the agenda of the Constitutional Conference commenced in Ottawa on December 8, 1969, and a further list of any other proposals made by any of the provinces for inclusion on the agenda which are not contained in the exchange of correspondence.

Motion agreed to.

GRANTS BY DEPARTMENT OF AGRICULTURE TO ORGANIZATIONS

Motion No. 297—**Mr. Gleave:**

That an Order of the House do issue for copies of all correspondence between the Department of Agriculture and organizations receiving financial grants from the Department for the fiscal year 1969-70.

Motion agreed to.

[Mr. Skoberg.]

IMPROVEMENT OF P.E.I. JAIL FACILITIES

Motion No. 298—**Mr. McQuaid:**

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 since January 1, 1967 between the Government of Canada or any department thereof and the Government of Prince Edward Island or any department thereof regarding the improvement of jail facilities within the Province of Prince Edward Island.

Motion agreed to.

CONSUMER AND CORPORATE AFFAIRS—REPORT BY OPERATIONS RESEARCH INC.

Motion No. 321—**Mr. Skoberg:**

That an Order of the House do issue for a copy of the consultant report undertaken for the Department of Consumer and Corporate Affairs by Operations Research Incorporated as mentioned in answer to Question Number 2,452 of the past Session.

Motion agreed to.

REPORT ON BEDFORD BASIN POLLUTION

Motion No. 326—**Mr. McCleave:**

That an Order of the House do issue for a copy of the report prepared within the Department of Fisheries and Forestry concerning pollution of the Bedford Basin.

Motion agreed to.

SASKATCHEWAN POST OFFICE CLOSURES

Motion No. 341—**Mr. Burton:**

That an Order of the House do issue for a copy of a list of (a) each post office in Saskatchewan which has been closed since January 1, 1967 and, in each case (i) the date on which the post office was closed (ii) the number of patrons listed for the post office at the date of closing (iii) the revenue for the post office in the last calendar year prior to closure (iv) the total expenses incurred by the Post Office Department in operating the post office for the last calendar year prior to closure (v) the alternate service provided for the patrons of the post office closed and the cost of providing alternate service (vi) whether there were objections from local residents to the closure and what form these objections took (b) 71 post offices recently reported to have been slated for closure since February 1967, but where a decision has been made to continue operation (c) 47 post offices which are reportedly going to be closed in the next few months (d) 197 post offices reportedly under study for closure (e) the 10 marginal operations reported to be under further review.

Motion agreed to.

[*Translation*]

Mr. Forest: Mr. Speaker, notices of motions Nos. 329, 333, 359, 363, 364 and 366 are acceptable to the government subject to the usual

conditions as regards confidential documents and to the approval of the government authorities concerned.

[*English*]

Mr. Speaker: Subject to the reservations and conditions expressed by the Parliamentary Secretary, is it the pleasure of the House that notices of motions Nos. 329, 333, 359, 363, 364 and 366 be deemed to have been adopted?

Some hon. Members: Agreed.

OIL EXPLORATION INCENTIVES AND CHARGES

Motion No. 329—**Mr. Saltsman:**

That an Order of the House do issue for a copy of the study undertaken in the oil and gas section of the Department of Indian Affairs and Northern Development regarding the incentives and charges for oil exploration and development rights in Northern Canada.

Motion agreed to.

ELECTRIC REDUCTION COMPANY PLANT—CORRESPONDENCE WITH NEWFOUNDLAND GOVERNMENT

Motion No. 333—**Mr. Carter:**

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 Government of Canada or any of its representatives and the Government of the Province of Newfoundland, relating to the establishment of the Electric Reduction Company's Plant in Long Harbour, Newfoundland.

Motion agreed to.

ROAD CONNECTION, PORT SIMPSON-PRINCE RUPERT, B.C.

Motion No. 359—**Mr. Howard (Skeena):**

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 department thereof and the Government of the Province of British Columbia since January 1, 1964 relating to the matter of a road connection between Port Simpson B.C. and Prince Rupert, B.C.

Motion agreed to.

PROPOSED WATER SYSTEM, STONY CREEK INDIANS

Motion No. 363—**Mr. Howard (Skeena):**

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 department thereof and any other person, government (including the Stoney Creek Indian people in British Columbia) since January 1, 1964 relating to a water system for the said Indian people.

Motion agreed to.

PROPOSED COMMUNITY HALL, STONY CREEK INDIANS

Motion No. 364—**Mr. Howard (Skeena):**

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 department thereof and any other person, government (including the Stoney Creek Indian people in British Columbia) since January 1, 1964 relating to a community hall for the said Indian people.

Motion agreed to.

SALE OF GRAVEL, STONY CREEK INDIANS

Motion No. 366—**Mr. Howard (Skeena):**

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 department thereof and any other person, government (including the Stoney Creek Indian people in British Columbia) since January 1, 1964 relating to the sale of gravel of the said Indian people.

Motion agreed to.

[*Translation*]

Mr. Forest: Mr. Speaker, would you kindly call notices of motions Nos. 134, 135, 197, 217, 219, 223, 225, 226, 234, 265, 272, 296, 300, 302, 316 and 317?

I ask, Mr. Speaker, that the other notices of motions be allowed to stand.

[*English*]

MONTREAL INTERNATIONAL AIRPORT—MURRAY HILL FRANCHISE

Motion No. 134—**Mr. Howard (Skeena):**

That an Order of the House do issue for copies of all correspondence received by the Government of Canada regarding Murray Hill Company and its franchise at the Montreal International Airport.

[*Translation*]

Mr. Gérard Loiselle (Parliamentary Secretary to Minister of Transport): Mr. Speaker, this motion is acceptable to the government provided the hon. member accepts the correspondence exchanged between October 1968 and October 1969.

[*English*]

Mr. Howard (Skeena): Agreed.

[*Translation*]

Mr. Speaker: Subject to the reservations and conditions expressed by the Parliamentary Secretary, is it the pleasure of the house that notice of motion No. 134 be deemed to have been adopted?

Some hon. Members: Agreed.

Motion agreed to.

[*English*]

TORONTO INTERNATIONAL AIRPORT—AIR TERMINAL TRANSPORT LIMITED

Motion No. 135—**Mr. Howard (Skeena):**

That an Order of the House do issue for copies of all agreements or arrangements and correspondence between the Government of Canada and Air Terminal Transport Limited regarding transportation from the Toronto International Airport.

[*Translation*]

Mr. Gérard Loiselle (Parliamentary Secretary to Minister of Transport): Mr. Speaker, the reservations and conditions that I have just expressed with regard to notice of motion No. 134 also apply to notice of motion No. 135.

[*English*]

Mr. Howard (Skeena): Agreed.

Mr. Speaker: Subject to the reservations and conditions expressed by the Parliamentary Secretary, is it the pleasure of this House that notice of motion No. 135 be deemed to have been adopted?

Some hon. Members: Agreed.

Motion agreed to.

POLLUTION OF B.C. WATERS

Motion No. 197—**Mr. Rose:**

That an Order of the House do issue for copies of all correspondence between the Department of Fisheries and Forestry and pulp mills in British Columbia regarding the pollution of B.C. waters and the pollution guidelines of the Department.

Mr. Knowles (Winnipeg North Centre): Stand.

Mr. Speaker: Stand.

CANADIAN TEXTILE INDUSTRY

Motion No. 217—**Mr. Skoberg:**

That an Order of the House do issue for a copy of the consultant report by Gherzi Textile Organization on the Canadian textile industry undertaken for the Department of Industry, Trade and Commerce in the fiscal year 1966-67, as mentioned in answer to Question Number 1,323 of the past Session.

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the Minister of Industry, Trade and Commerce wishes to inform the member that this study is of a confidential nature, the release of which would be detrimental to the future relationship between the department, the consultant and the industry concerned. In view of this, the minister would ask the member to withdraw his motion.

Mr. Skoberg: I call for a vote, Mr. Speaker.

Mr. Macdonald (Rosedale): Transfer for debate.

Mr. Speaker: Transferred for debate.

COMPARATIVE CONSTRUCTION COSTS OF CHEMICAL PLANTS

Motion No. 219—**Mr. Skoberg:**

That an Order of the House do issue for a copy of the consultant report by Chemical Construction Corporation on comparative construction costs of chemical plants undertaken for the Department of Industry, Trade and Commerce in the fiscal year 1967-68, as mentioned in answer to Question Number 1,323 of the past Session.

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the Minister of Industry, Trade and Commerce wishes to inform the hon. member that this study is based largely on information which was received in confidence by the consultant from Canadian industry and, moreover, that there is an agreement between the Canadian Chemical Producers' Association and the Department of Industry, Trade and Commerce not to disclose this information. In view of this, the minister would ask the member to withdraw his motion.

Mr. Skoberg: I call for a vote.

Mr. Macdonald (Rosedale): Transfer for debate.

Mr. Speaker: Transferred for debate.

Mr. Knowles (Winnipeg North Centre) Information Canada!

NORTHEAST NEW BRUNSWICK

Motion No. 223—**Mr. Skoberg:**

That an Order of the House do issue for a copy of the research consultant's report on Northeast New Brunswick, undertaken for the Department of Regional Economic Expansion in the fiscal year 1967-68, as mentioned in answer to Question Number 1,323 of the past Session.

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): Mr. Speaker, the study referred

to was commissioned as a working document, intended only for internal use. As such, it is considered confidential and not for publication. I wonder if the hon. member would agree to withdrawing his motion.

Mr. John L. Skoberg (Moose Jaw): I agree, Mr. Speaker.

An hon. Member: What?

Mr. Knowles (Winnipeg North Centre): Information Canada!

Mr. Speaker: Subject to the reservation expressed by the hon. member for Winnipeg North Centre, this motion is withdrawn.

Order discharged and motion withdrawn.

MARGINAL DAIRY FARMING

Motion No. 225—**Mr. Skoberg:**

That an Order of the House do issue for a copy of the feasibility study on marginal dairy farming undertaken for the Department of Regional Economic Expansion in the fiscal year 1967-68, as mentioned in answer to Question Number 1,323 of the past Session.

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): Mr. Speaker, the study referred to was commissioned as a working document, intended only for internal use. As such, it is considered confidential and not for publication. I wonder if the hon. member would agree to withdrawing his motion.

Mr. Knowles (Winnipeg North Centre): Information Canada!

Mr. Skoberg: I will accept that.

Order discharged and motion withdrawn.

INDIAN SOCIAL DEVELOPMENT

Motion No. 226—**Mr. Skoberg:**

That an Order of the House do issue for a copy of the consultant study on Indian social development undertaken for the Department of Regional Economic Expansion in the fiscal year 1968-69, as mentioned in answer to Question Number 1,323 of the past Session.

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): Mr. Speaker, the study referred to was commissioned as a working document, intended only for internal use. As such, it is considered confidential and not for publication. I wonder if the hon. member would agree to withdrawing his motion.

Mr. Skoberg (Moose Jaw): Not on this one, Mr. Speaker. I call for a vote.

Mr. Macdonald (Rosedale): Transfer for debate.

Mr. Speaker: Transferred for debate.

ADMINISTRATION OF FRED PROGRAM

Motion No. 234—**Mr. Skoberg:**

That an Order of the House do issue for a copy of the consultant report on the administration of the FRED program undertaken for the Department of Regional Economic Expansion in the fiscal year 1967-68, as mentioned in answer to Question Number 1,323 of the past Session.

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): Mr. Speaker, there is no specific study which relates to this particular contract; the services of Mr. Pearson were retained for general advice on FRED administration problems. I would therefore request that the hon. member withdraw his motion.

An hon. Member: Which Pearson?

Mr. Skoberg (Moose Jaw): If there is no study then I cannot obtain any information, Mr. Speaker.

Order discharged and motion withdrawn.

INCOMES AND PRICES CONTROLS

Motion No. 265—**Mr. Saltsman:**

That an humble Address be presented to His Excellency praying that he will cause to be laid before this House copies of all correspondence between the Government of Canada and the provincial governments regarding incomes or prices controls as referred to by the Prime Minister and reported in *Hansard* on page 1001, November 19, 1969.

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, to the date that this notice of motion was received, there had not been any exchange of correspondence between the government of Canada and the provincial governments on the matter of incomes or prices controls.

An hon. Member: Why not?

Mr. Forest: In view of this, I therefore ask the member to withdraw his motion.

Mr. Saltsman: Agreed.

Order discharged and motion withdrawn.

Motions for Papers

GULF OF GEORGIA OIL DRILLING COST-BENEFIT STUDY

Motion No. 272—**Mr. Rose:**

That an Order of the House do issue for a copy of the cost-benefit study undertaken in the Department of Fisheries and Forestry regarding drilling for oil in the Gulf of Georgia as mentioned by the Minister of Fisheries and Forestry.

Mr. Knowles (Winnipeg North Centre): Stand.

Mr. Speaker: Stand.

SHIPMENT OF POTASH TO U.S.

Motion No. 296—**Mr. Burton:**

That an Order of the House do issue for a copy of all correspondence exchanged between the Government of Canada and potash companies or their representatives concerning trade and prices of potash shipped from Saskatchewan to the United States.

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, I am informed by the departments concerned that the correspondence in question deals largely with the anti-dumping investigation conducted by the United States Tariff Commission. This correspondence contains information on the prices and quantities of potash shipments, that was supplied by the producers, and accepted by the government on a confidential basis. Therefore, it would not be in the public interest to dislcose this correspondence and it is hoped that the member would withdraw his motion.

Mr. Knowles (Winnipeg North Centre): Information Canada!

Mr. Burton: I cannot agree with that, Mr. Speaker, and I would ask that the vote be taken.

Mr. Macdonald (Rosedale): Transfer for debate.

Mr. Speaker: Transferred for debate.

REPORT ON ATTITUDES OF INDIAN PEOPLE

Motion No. 300—**Mr. Howard (Skeena):**

That an Order of the House do issue for a copy of the report on attitudes of Indian people based mainly on a visit to the Six Nations Reserve on July 16, 1969, submitted to the Department of Indian Affairs and Northern Development by Berger, Tisdal, Clark and Lesley Ltd., as referred to on page 6 of the quarterly report on public relations activity, June, July, August, 1969 by the said Berger, Tisdall, Clark and Lesley Ltd.

Mr. Russell C. Honey (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, the hon. member from Skeena is asking for a report which in fact is a 500-word personal letter written by a contact employee to a departmental employee. The writer specifically requested that the confidentiality of the letter be respected. Under the circumstances I would ask that the hon. member withdraw this motion.

Mr. Howard (Skeena): Mr. Speaker, there is a lot more than that behind this particular item. This report was referred to in a quarterly report by a public relations firm which the taxpayer paid for and I think it should be produced.

Mr. Speaker: I assume the hon. member wants it transferred for debate.

Mr. Howard (Skeena): No, I do not want it transferred for debate, Mr. Speaker.

Mr. Macdonald (Rosedale): Transfer for debate.

Mr. Speaker: Transferred for debate.

Mr. Baldwin: You should have a minister of concealment over there.

Mr. Trudeau: We have not named him yet.

EFFECTS ON CANADA OF BRITISH ENTRY INTO ECM

Motion No. 302—**Mr. Saltsman:**

That an Order of the House do issue for copies of the information provided by the Government of Canada to the Government of Great Britain regarding the effects on Canadian interests as a result of the British entry into the Common Market as mentioned by the Minister of Industry, Trade and Commerce in *Hansard* of December 9, 1969 on page 1738.

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the Minister of Industry, Trade and Commerce wishes to inform the hon. member that the government is in a continuing process of communication with the United Kingdom about the possible effects on Canadian trade if the United Kingdom were to become a member of the EEC. In the context of negotiations which have yet to commence, the hon. member will appreciate that it would be contrary to the Canadian interest to make public the information which has been provided in confidence to the British authorities. Accordingly, the minister would ask the hon. member to withdraw his motion.

Mr. Max Saltsman (Waterloo): Agreed, to be pursued in committee when the estimates appear.

Order discharged and motion withdrawn.

REPORT FOR DEPT. OF FISHERIES AND FORESTRY BY AIC-WINSPEAR DOANE LIMITED

Motion No. 316—**Mr. Skoberg:**

That an Order of the House do issue for a copy of the consultant report by AIC-Winspear Doane Limited, undertaken for the Department of Fisheries and Forestry as mentioned in answer to Question number 2,452 of the past Session.

Mr. E. F. Whelan (Parliamentary Secretary to Minister of Fisheries and Forestry): Mr. Speaker, I understand that the subject matter covered by this motion has been discussed with the hon. member and that he is prepared to withdraw the motion, in view of the fact that the information he requests will be provided in response to motion 317.

Mr. Skoberg: In view of the co-operative manner of this department, Mr. Speaker, I agree.

Order discharged and motion withdrawn.

REPORT FOR DEPT. OF FISHERIES AND FORESTRY BY INBUCON SERVICES LIMITED

Motion No. 317—**Mr. Skoberg:**

That an Order of the House do issue for a copy of the consultant report by Inbucon Services Limited undertaken for the Department of Fisheries and Forestry as mentioned in answer to Question Number 2,452 of the past Session.

Mr. E. F. Whelan (Parliamentary Secretary to Minister of Fisheries and Forestry): Mr. Speaker, this study project was financed jointly by the governent of Canada and the government of Newfoundland. It contained detailed analyses of vessel and plant costs and of the financial position of firms engaged in the frozen groundfish industry in Newfoundland. This aspect of the report could not be tabled since it includes detailed information on the financial posi ion of individual companies. However, the consultants did prepare a separate, more general report in which references to individual firms and their operations were eliminated. The government is prepared to table this part of the report subject to receiving consent from the government of Newfoundland.

Mr. Skoberg: I agree, until I see the rest of the report.

Mr. Speaker: Subject to the reservations and conditions expressed by Parliamentary Secretary the motion is adopted.

Mr. Knowles (Winnipeg North Centre): Information Canada!

Motion agreed to.

Mr. Speaker: Shall the remaining notices of motion stand? The hon. member for Skeena.

Mr. Howard (Skeena): On a point of order, Mr. Speaker, there is a misuse and abuse of the rules on the part of the government members seeking to prevent effectively a vote in most cases and even a discussion of the subject matter of these various motions for papers. Already on the Order Paper for debate under the item which comes up on alternate Thursdays there are 50 such notices of motions listed, and to them will be added the ones transferred today. In fact, the first three set down for consideration during the hour available on Thursday were transferred on November 19, almost three months ago to the day; tomorrow it will be three months. I think the misuse of this particular section of the rules which prevents information being given by the government to the public should be looked at. I submit the rules are being abused. Some alternative method must be discovered. Perhaps there ought to be a short debate about the need for providing the information. These matters ought not to be permitted to be swept under the rug in the current fashion.

Mr. Speaker: The point raised by the hon. member has been raised in the past. Following a brief discussion in the House, it was agreed by representatives of the parties that the whole matter of private members' motions, resolutions and private bills might be considered in due course, and perhaps at an early date, by the Standing Committee on Procedure and Organization. I believe there is a move afoot among representatives of the parties to have the matter considered. I assume that the representations which have been made by the hon. member for Skeena will be taken into account.

ORAL QUESTION PERIOD

THE CANADIAN ECONOMY

INFLATION—ACTION TO SEEK CO-OPERATION OF UNIONS—APPLICATION OF SANCTIONS

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, may I direct a question to the Prime Minister. Now that the government has completed its meetings with the premiers

of the provinces and those who sell products in Canada, does it intend to hold similar meetings with important economic groups, whose actions have an important effect on inflation, so that the government's program for controlling inflation may have the best possible chance of success?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, we have frequent meetings with important economic groups, to use the hon. member's expression. We have them throughout the year.

Mr. Hees: A supplementary question, Mr. Speaker. I will make my question a little clearer. Does the government take the attitude that any anti-inflation program can be successful without the active co-operation of the organized labour movement?

Some hon. Members: Oh, oh!

Mr. Hees: Do members of the government, and the Prime Minister in particular, plan to have meetings with the leaders of organized labour and make a personal appeal to them for that active co-operation which is vitally important to the success of the government's anti-inflation program?

Mr. Trudeau: On the first part of the question, Mr. Speaker, the answer is no. We do not take that position. On the contrary, we think that the fight against inflation cannot be won without the active support of all sections of the community, and particularly the working sector of the community known as organized labour. Replying to the second part of the question, I may say that the whole cabinet will be meeting with the two main labour organizations in the country in some weeks to come. They have asked to meet cabinet, to present their views on the economic situation and other matters.

Mr. Hees: A further supplementary question, Mr. Speaker. In view of the statement yesterday by the executive vice-president of the Canadian Labour Congress that the government's proposals are far too vague to be taken seriously, does the Prime Minister consider that waiting for a number of weeks before having a general meeting, which governments have each year with our labour bodies, is satisfactory? Would he also advise the House—

Mr. Speaker: Order, please. Perhaps before the hon. member asks a further supplementary question I might suggest to him that the supplementary question he has just addressed to the Prime Minister is argumentative. I recognize that he has a further supplementary to ask and he will be allowed to ask it.

Mr. Hees: With great respect, Mr. Speaker, Your Honour knows I try never to be argumentative. May I direct another supplementary question to the Prime Minister. Was the possible application of sanctions against those who do not comply with the guidelines that were agreed to at the meeting with management a week ago discussed at the meetings that took place during the past two days? If so, is any action planned in this regard by the federal and provincial governments?

Mr. Trudeau: Mr. Speaker, if the hon. member would consult the communique which was tabled earlier, he would see what recommendations made by the Prices and Incomes Commission to governments were considered and generally agreed to by the members present at the federal-provincial conference. One of the subjects referred to at the conference was sanctions.

Mr. Hees: Mr. Speaker, I asked the Prime Minister if the government plans to take any action in this regard?

Mr. Speaker: Order, please.

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): A supplementary question, Mr. Speaker. As a result of the conference held between the Prime Minister and provincial premiers, did the Prime Minister ask provincial governments to join with the federal government in concurrent action in order to give the Prices and Incomes Commission the necessary power to impose sanctions? If so, what was the nature of those sanctions and what reply did the Prime Minister receive from the provincial premiers?

Mr. Trudeau: Mr. Speaker, there was no indication at any time to my knowledge that the Prices and Incomes Commission should be empowered to impose sanctions. Sanctions, if they come, will come from the governments which represent the people. They will come from either the federal or provincial governments.

Mr. Douglas (Nanaimo-Cowichan-The Islands): A supplementary question, Mr. Speaker. May I ask the Prime Minister to what sanctions he asked the provincial governments to commit their respective jurisdictions. What response has he received from the provincial premiers in this regard?

Mr. Trudeau: Mr. Speaker, the members of the commission discussed with the provinces, as they did with the federal government, the kinds of sanctions which could be applied. In looking into our arsenal, we have found that there are lots of sanctions available and we agreed to use whatever sanctions would be needed in cases where they had to be called into play. But as far as the provinces are concerned, I have no knowledge of the promises they might have made to the commission. They did agree that they would use the sanctions which were required in particular cases.

Mr. Douglas (Nanaimo-Cowichan-The Islands): A further supplementary question, Mr. Speaker. What sanctions has the federal government committed itself to applying in the event that prices rise by a greater amount than costs during the year?

Mr. Trudeau: Well, Mr. Speaker, we do not say in advance what gun we shall shoot at what target until we know what the target is that must be shot at. The Minister of Finance and I have given various examples in the past as to the kinds of sanctions which could be used: the use of the government's procurement policy; the use of the tariff; the use of governmental discretion in allocating funds to industries which are embarked upon research with federal help, and so on. All these sanctions are available to us. We cannot say, in answer to a theoretical smile, what sanctions will be called into play until we know the problem which has to be solved.

[*Translation*]

INFLATION—EFFECT OF QUEBEC BORROWING IN LONDON AND EUROPE

Mr. Bernard Dumont (Frontenac): Mr. Speaker, I have a supplementary question.

As far as the control of inflation is concerned, does the Prime Minister think that loans being negotiated by Quebec in London and on the European markets will result in Canada in huge amounts of money being put in circulation, as if this money were created by the Canadian banks, thus contributing to higher inflationary pressures?

Mr. Speaker: I feel the hon. member is inviting the Prime Minister to express an opinion. The question as asked is out of order.

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I should like to ask a supplementary question.

Has the Prime Minister offered to the provinces an alternative scheme enabling them to borrow money on the world market, as they are doing now, but at an interest rate lower than the prevailing one which is a serious cause of inflation?

Did the Prime Minister suggest a solution to the provinces about loans?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, because we are creating budget surpluses and not putting ourselves into the position of having to negotiate loans, we have given provinces and municipalities a solution, leaving them an open field when they want to borrow money.

[*English*]

CANADIAN SOVEREIGNTY

RIGHT OF RUSSIAN SHIPS TO USE NORTHWEST PASSAGE

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, my question is directed to the Secretary of State for External Affairs and has to do with observations he made yesterday in connection with the *Manhattan* to the effect that it is free to go in and through the northern waters of the Arctic archipelago and that if it needs the assistance of the Canadian government that assistance will be freely given. Can the minister say whether Russian ships, no matter whether they are engaged in business of any kind or trade or are warships or ships undertaking obviously peaceful purposes, will be permitted to go through our northern waters without the permission of the government of Canada?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, this is the most hypothetical question I have ever been asked in my career.

Mr. Diefenbaker: Mr. Speaker, there is nothing hypothetical about the dangers to this country if northern Canada is opened in the way it is now being opened.

Mr. Speaker: Order, please.

FINANCE

SHARED-COST PROGRAMS—ROLE OF PRESIDENT OF TREASURY BOARD IN ASSISTING PROVINCES

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, may I direct a question to the Minister of Finance. Will the minister explain to the

House whether the provinces requested the services of the President of the Treasury Board to assist them in trimming costs of various shared-cost programs, and whether his job will be that of an adviser or will he carry stronger and more persuasive powers?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, there is general agreement between the provinces and federal government that one should do what one can in order to have these programs operate as efficiently as possible. We pay half the cost and they pay half the cost. What the President of the Treasury Board will be doing is consulting with the provinces and looking at methods for controlling costs in these programs, in the same way as there have been consultations, for example, between our Minister of National Health and Welfare and the various provincial ministers of health and welfare.

Mr. Ritchie: A supplementary question, Mr. Speaker. In view of Premier Robarts' statement that Ontario might have to consider dropping some shared-cost programs, will the President of the Treasury Board be authorized to give advice on the best way this could be done?

Mr. Speaker: Order, please. I doubt whether this question is in order.

SUGGESTED REMOVAL OF SALES TAX ON MARGARINE

Mr. Barry Mather (Surrey): Mr. Speaker, I wish to direct a question to the Minister of Consumer and Corporate Affairs. A few days ago during questions on Orders of the Day the Minister of Finance indicated that consideration was being given by his department to the request of consumer groups which are urging that the 12 per cent federal sales tax be removed from margarine. Would the Minister of Consumer and Corporate Affairs confer with his colleague on this anti-inflationary move?

Mr. Speaker: Order, please. I wonder whether the question as asked is in order. The hon. member is simply suggesting that one minister communicate with another. In this sense, it is a representation and the hon. member must assume it has been noted.

[Mr. Ritchie.]

[*Translation*]

CANADIAN CONSTITUTION

NON-INTERVENTION OF FEDERAL GOVERNMENT IN FIELDS OF PROVINCIAL JURISDICTION

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I should like to put a question to the Prime Minister.

Following the latest federal-provincial conference, does the government still intend to intervene directly in fields within provincial jurisdiction should the provinces fail to adapt their legislation to that of the federal government with regard to the preservation of water, for instance?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, it would be impossible to intervene within fields out of our jurisdiction since the constitution prohibits it.

[*English*]

TRANSPORT

NORTHWEST PASSAGE—FUEL OIL TO BE CARRIED BY "MANHATTAN" ON PROJECTED SECOND VOYAGE

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I had intended to direct my question to the Minister of Indian Affairs and Northern Development, but in view of his prolonged absence from the House I will direct it to the Minister of Transport. In view of the anticipated second journey of the supertanker *Manhattan* through the Northwest Passage, how many estimated tons of fuel oil will she be required to carry to safely ensure her passage on this long, dangerous, slow-moving and time-consuming voyage?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, after a few days with my sliderule I will let the hon. member know.

Some hon. Members: Hear, hear!

Mr. Nesbitt: In view of the minister's answer, I suggest that he inquire how much it took the last time. I have a supplementary question, Mr. Speaker. Will the minister require the *Manhattan* to fly the Canadian flag while travelling through our waters, unlike the last time?

Mr. Speaker: Order, please.

DRAFTING OF REGULATIONS COVERING INNOCENT PASSAGE THROUGH TERRITORIAL WATERS

Mr. G. W. Baldwin (Peace River): I wish to ask the Minister of Transport if he is now engaged in considering the drafting of regulations to cover innocent passage through what are Canadian territorial waters, as Canada is entitled to do, under the international conventions?

Hon. Donald C. Jamieson (Minister of Transport): I think the question might more properly be directed to the Secretary of State for External Affairs as I believe it involves—

Mr. Baldwin: We can't get anywhere with him.

GOVERNMENT ADMINISTRATION

DEPARTMENT OF SECRETARY OF STATE—FILLING OF VACANT POSITIONS

Mr. J. P. Nowlan (Annapolis Valley): My question is for the Secretary of State. In view of the five major appointments at the director level or higher already this year in his department, will the minister please advise whether the recent appointment of Mr. Bernard Ostry as Under-Secretary of State has finally filled all the blanks in his department?

Mr. Speaker: The hon. member for Winnipeg North Centre.

Mr. Nowlan: I think the minister was about to rise. I have a supplementary.

Mr. Speaker: I thought I saw a blank look on the minister.

Some hon. Members: Hear, hear!

Mr. Speaker: Order, please.

Hon. Gérard Pelletier (Secretary of State): I thought it was a blank question, Mr. Speaker. The answer is no.

Mr. Nowlan: If the minister thinks it is a blank question he may not think the supplementary is so blank. He may think it more blunt. Is there any relationship between the new responsibilities of the Under-Secretary of State within the minister's department and his past part authorship of the brief to set up Information Canada?

Mr. Trudeau: That is a blunt question.

Mr. Nowlan: You look very blank.

Inquiries of the Ministry

BUSINESS OF THE HOUSE

SUPPLEMENTARY PENSIONS BENEFITS BILL

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the President of the Privy Council in his capacity as Government House Leader. On February 6, in response to a question of mine, the minister indicated that the supplementary pensions benefits bill would be available for first reading in the week of February 16, and that is this week. In view of the fact that no notice of that bill is yet on the Order Paper and that notice must be given today if it is to be given first reading this week, can the minister inform us if that will be done?

Hon. Donald S. Macdonald (President of the Privy Council): Certain drafting problems have been encountered with regard to the bill. I am afraid there will not be a notice given this week.

Mr. Knowles (Winnipeg North Centre): A supplementary question, Mr. Speaker. Can the minister now assure us that it will be before the House next week?

Mr. Macdonald (Rosedale): I hate to create any expectations I could not meet next week.

[*Translation*]

AIR CANADA

OPPORTUNITY OF PRIVATE INTERESTS TO PURCHASE SHARES

Mr. Roland Godin (Portneuf): Mr. Speaker, I want to put a question to the Minister of Transport.

In view of the intention of the government to turn Air Canada into a Crown corporation entirely independent from the Canadian National Railways, can the minister tell us whether this gesture means that, in the near future, individuals or private interest groups will be able to purchase Air Canada shares and to control this corporation?

[*English*]

Hon. Donald C. Jamieson (Minister of Transport): No, Mr. Speaker, there is no such intention.

TRANSPORT

SNOWMOBILES—PREPARATION OF SAFETY REGULATIONS

Mr. W. M. Howe (Wellington-Grey): I have a question for the Minister of Transport. In view of the tremendous increase in the sale

and use of snowmobiles in Canada, and the tremendous increase in accidents that are caused by these machines, is the minister or his department preparing regulations with regard to safety features that could be incorporated in these machines?

Hon. Donald C. Jamieson (Minister of Transport): Yes, Mr. Speaker. A number of features are being studied at the moment to see whether, under the proposed bill now before the House, we can introduce these safety measures at the manufacturing stage.

INDIAN AFFAIRS

DEVELOPMENT OF FARM MANAGEMENT TRAINING PROGRAMS

Mr. A. C. Cadieu (Meadow Lake): Mr. Speaker, my question is for the Minister of Indian Affairs and Northern Development. He is not here very often and the Parliamentary Secretary has been carrying on. Possibly he might answer this question. In the light of a recent statement by a Saskatchewan agricultural expert that there could be twice as many acres of Saskatchewan Indian reserves under cultivation as there are at present, has the minister or any member of his department taken steps to speed up the development of farm management training programs for Indians?

Mr. Russell C. Honey (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, the minister has been here every day. Today, he is in Quebec city speaking with his counterpart there with reference to national parks in that province. To answer the hon. member's question, Mr. Speaker, this is part of the economic upgrading program for the Indian people.

Mr. Cadieu (Meadow Lake): A supplementary question, Mr. Speaker. Has the minister asked for any guarantees that this type of program will be continued, if and when the new Indian policy he proposes comes into effect?

Mr. Speaker: Order, please. I think the question is much too general in terms and slightly hypothetical.

Mr. Cadieu (Meadow Lake): Mr. Speaker, I think it should be answered at this time. It is very important and urgent. What further plans are being made by the government for reduction of the acreage put into wheat this crop year on land that has been under cultivation in former years?

[Mr. Howe.]

Mr. Honey: I am not prepared to answer that question, Mr. Speaker. I shall have to take it as notice and give a definite answer tomorrow.

CONSUMER AFFAIRS

SALE OF GASOLINE BY OCTANE RATING

Mr. Max Saltsman (Waterloo): I should like to ask the Minister of Consumer and Corporate Affairs whether his attention has been drawn to a proposal by the United States federal trade commission that gasoline be sold by octane ratings clearly listed at filling station pumps? If so, is it his intention to consider similar action in Canada?

Mr. Speaker: I do not know how urgent this question may be. I would think it could easily be placed on the Order Paper.

FISHERIES

ATLANTIC SALMON—REQUEST FOR REPRESENTATIONS TO DENMARK CONCERNING CONTROLS

Mr. Lloyd R. Crouse (South Shore): My question is addressed to the Secretary of State for External Affairs. In view of the fact that fishing off Greenland by Danish fishermen is resulting in the wholesale destruction of Atlantic salmon spawned in North America, will the minister consider making representations to the Danish government urging that controls be placed on the Danish fleet before Atlantic salmon stocks are completely destroyed?

Hon. Mitchell Sharp (Secretary of State for External Affairs): I understand the Minister of Fisheries and Forestry has been particularly concerned about this matter and has been making representations in various places. I am sure that if this is a problem he will be doing so.

Mr. Crouse: A supplementary question to the Minister of Fisheries, then. Since Norway and Britain have also accused Denmark of sabotaging international fishing conventions drawn up to protect the Atlantic salmon, will the minister take up this matter at the international level and request that a maximum quota be placed on salmon taken off Greenland?

Hon. Jack Davis (Minister of Fisheries and Forestry): We have taken up this question at the international level and all but two countries have agreed on abstention, as the hon.

member probably knows. I am not aware that the British and the Norwegian governments have made public protests as yet, but perhaps they may be driven to it—as we may be as well.

POLLUTION

AVAILABILITY TO COMMITTEE OF OPINIONS EXPRESSED AT FEDERAL-PROVINCIAL CONFERENCE

Mr. G. H. Aiken (Parry Sound-Muskoka): I have a question for the Prime Minister arising from the discussion on pollution which took place at the federal-provincial conference. Would the Prime Minister advise the House in what manner the government intends to place before the parliamentary committee the various opinions which were expressed at the conference so that the committee might be up to date?

Hon. Donald S. Macdonald (President of the Privy Council): Perhaps I should deal with that inquiry. There is a motion on the Order Paper in the name of my colleague, the Minister of Consumer and Corporate Affairs. The conference having been held, it might be appropriate to arrange, after discussion with the opposition House leaders, that the question be put some time next week or shortly after so that action could be taken.

Mr. Aiken: I was referring particularly to the discussions on pollution and the Canada Water bill. The President of the Privy Council did not refer to this aspect. We are vitally concerned because the committee is considering this very bill, which was the subject of discussion at the conference.

Right Hon. P. E. Trudeau (Prime Minister): As far as the government is concerned, the minister pledged to meet with the premiers who wanted to have further discussions on this subject, either personally or through his officials, and to consider further proposals for changes or amendments which had been made. He will consider which would be the best way of bringing such amendments before the committee, or before the House, if necessary. As far as the provincial positions are concerned—I have no authority over the committee, of course—the committee might wish to seize itself, if it thinks fit, of copies of the provincial briefs, which have been made public.

Inquiries of the Ministry

TRANSPORT

MARITIMES—EFFECT ON SAFETY OF REDUCTION OF RAILWAY MAINTENANCE-OF-WAY EMPLOYEES

Mr. H. Russell MacEwan (Central Nova): May I direct this question to the Minister of Transport, Mr. Speaker? He may wish to take it as notice. Has the hon. gentleman received communications from the Brotherhood of Locomotive Engineers, division 586, and the United Transportation Union, Local 500, asking that he investigate the effect on the safety factor which could result from cutting the number of maintenance-of-way employees in the maritime area by 50 per cent? If so, will he look into this serious situation?

Hon. Donald C. Jamieson (Minister of Transport): I do not recall having received these communications, but I will look into it and reply later.

DEPARTMENTAL REORGANIZATION—ASSURANCE RESPECTING STAFF LAY-OFFS

Mr. Thomas M. Bell (Saint John-Lancaster): I have a question for the Minister of Transport relating to his staff and his reorganization plans. Will he give an assurance to the House that, as a result of these changes to be made in the department, there will be no staff reductions, or, at least that he will not take the opportunity to bring about serious lay-offs among the staff of the National Harbours Board, Air Canada and the St. Lawrence Seaway Authority? Will he give this definite assurance here and now in view of the apprehension—

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

Hon. Donald C. Jamieson (Minister of Transport): I think it is anticipated that there will be some personnel changes of a minor nature but I believe I can provide the assurance for which the hon. member is looking.

Mr. David Orlikow (Winnipeg North): Can the minister allay the fears of certain employees, such as the employees on the seaway, who believe they will become civil servants and lose some of their collective bargaining rights together with some of their present status as employees of a Crown corporation as a result of the contemplated reorganization?

Mr. Jamieson: I indicated yesterday that the status of the seaway will remain virtually

as it is. Consequently, I see no reason why the changes to which the hon. member has alluded should take place.

DEPARTMENTAL REORGANIZATION—POSSIBLE EFFECT ON GRANTS TO MUNICIPALITIES

Mr. Robert McCleave (Halifax-East Hants): My question to the Minister of Transport arising out of his plans for reorganization is: will he ensure that the municipalities do not receive smaller federal tax payments as a result of the reoganization when, for example, the National Harbours Board, a Crown corporation, becomes something else?

Hon. Donald C. Jamieson (Minister of Transport): I would ask the hon. member to be more specific. I cannot give such an assurance at the moment. If he would give me some specific examples, I will try to deal with them.

Mr. McCleave: My question concerns grants in lieu of taxation which might be smaller if a Crown corporation, such as the National Harbours Board, were to become simply part of a government department.

Mr. Speaker: Supplementary? The hon. member for Hamilton West.

FEDERAL-PROVINCIAL CONFERENCE

DISCUSSION OF URBANIZATION

Mr. Lincoln M. Alexander (Hamilton West): I have a question for the Prime Minister. Was the serious question of growing urbanization discussed at the last federal-provincial meeting together with the prospect of establishing a three-tier—

Mr. Speaker: Order, please. The question is not supplementary to the one we were considering a moment ago. However, the hon. member has asked it and perhaps the Prime Minister might reply.

Right Hon. P. E. Trudeau (Prime Minister): This question was not on the agenda nor does a specific reference to it appear in the communiqué. There was some mention among delegations of this important subject but it was not specifically tackled as an item of business.

INDIAN AFFAIRS

REQUEST FOR TABLING OF PRESENTATION TO PRIME MINISTER

Mr. Frank Howard (Skeena): I should like to direct a question to the Prime Minister in connection with the presentation which was made to him by the McGill University Intertribal Council and the Native Association of Quebec. In order to provide us all with a degree of understanding of the esteem in which he is held by the native people, would he be prepared to table that presentation?

Right Hon. P. E. Trudeau (Prime Minister): It was not a serious presentation, but if the hon. member wants to table it himself I am sure we will see the level of his thinking.

Some hon. Members: Oh, oh.

Mr. Howard (Skeena): Apropos of that reply, I indicated—and I apologize for it—the level of my thinking by addressing the question in the first place to such an ass.

Mr. Trudeau: Lost your cool?

Mr. Speaker: Order. I suggest to the hon. member that the language he is using is utterly and completely unparliamentary. It may not be in his understanding, but it is in mine.

[*Translation*]

Mr. André Fortin (Lotbinière): Mr. Speaker, considering what the Prime Minister said a while ago, does he intend to ask the Postmaster General and Minister of Communications to table that document?

[*English*]

CONSUMER AFFAIRS

REVIEW OF ROLE AND STRUCTURE OF COUNCIL

Mrs. Grace MacInnis (Vancouver-Kingsway): I have a question for the Minister of Consumer and Corporate Affairs, Mr. Speaker. On December 3, 1969, in answer to a question I had asked him, the minister informed me he was in the process of reviewing the role and structure of the Consumer Council. May I ask him, now, whether his review is complete and, if so, when we may expect a report?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): I hope to announce some appointments very shortly.

NORTHERN AFFAIRS

REPORTED ABANDONING BY UNITED STATES OF ARCTIC METEOROLOGICAL SERVICES

Mr. Robert Muir (Cape Breton-The Sydneys): Mr. Speaker, my question is for the

Minister of Transport and has reference to one I asked a few days ago. Is the minister in a position today to shed further light on the question whether he or the government have received any indication from United States authorities that they will abandon their meteorological services in the Arctic?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I have looked into this matter and can report that to date we have not received any official notification from the United States. Like the hon. member, I expect, I have seen news reports to this effect, but there has been no official communication or notification.

HISTORIC SITES

ACQUISITION OF RESIDENCE OF SIR ROBERT BORDEN

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, may I direct my question to the Secretary of State as custodian pro tem of our historic heritage. Can the Secretary of State advise whether anything is being done to acquire the long-time residence of Prime Minister Sir Robert Borden for the people of Canada so as to forestall its imminent destruction by commercial interests?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, I am afraid that the hon. member is mistaken about the person responsible for historic sites. If that was the object of his question, responsibility for historic sites belongs to the Department of Indian Affairs and Northern Development, not to the Secretary of State.

[*English*]

Mr. Macquarrie: Mr. Speaker, I referred not to historic sites but asked about our heritage, in the minister's capacity as minister of culture.

NATIONAL FILM BOARD

RECONSIDERATION OF ORDER LEVYING CHARGES FOR USE OF FILMS

Mr. R. Gordon L. Fairweather (Fundy-Royal): Mr. Speaker, I have a question for the Secretary of State. I am sure he listened, as we did, to the Prime Minister's statement on motions about forgoing the imposition of user charges. Is it, therefore, planned that the National Film Board's new fee schedule will be included in this sensible policy decision?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): No, Mr. Speaker, nothing has happened to change the decision I referred to in my previous answers.

[*English*]

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, my question is on the same point. The Secretary of State indicated on February 11 that a decision about the National Film Board had already been made. This was reconfirmed today. I should like to ask the Secretary of State, inasmuch as on February 12 he followed up by writing a letter to me which included the sentence, "Please be assured"—

Mr. Speaker: Order, please. This is not the time for the hon. member to read his correspondence. He should ask his question.

Mr. Korchinski: Mr. Speaker, on a point of order, if you will allow me to finish the sentence, I think you will realize—

Mr. Speaker: Order, please. The hon. member knows that when asking a question it is not in order to read correspondence. The hon. member should put his question directly.

Mr. Korchinski: With all due respect, Mr. Speaker, this is part of my question, which is simply this. The minister says: "I sincerely hope that a solution will be found". On the previous day he stated in the House that a decision had been made. I want to know what is the truth. When is he telling the truth, and when not?

Mr. Speaker: Order. I think there will have to be further correspondence between the minister and the hon. member.

Mr. Korchinski: Mr. Speaker, I rise on a further point of order. I do not know whether he writes the truth or speaks the truth—

Mr. Speaker: Order. The hon. member has asked a question and I have made a ruling. I suggest to him that the question as asked is not in order. It might perhaps be redrafted in some other way, but I think he will agree with me, on reflection, that the question as asked is not in accordance with the rules of the House.

Mr. Korchinski: A further supplementary question. How shall I reply to those people who have made inquiries?

Mr. John Burton (Regina East): A supplementary question to the Secretary of State. In

view of the fact that the reference in the report on National Film Board affairs commissioned earlier by the minister made only passing reference to the question of user charges on films, will the minister undertake to make a more complete study of this question, one satisfactory to the people concerned with the matter?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, as I said to hon. members, to all those who asked me questions, and as I wrote to them, I think there is a problem. I personally never despair of finding a solution to a problem when I feel there is a problem; I spend all my time searching for solutions. I believe that is precisely what a minister should do. It is also the only answer I can give to that last question.

[*English*]

AGRICULTURE

PRAIRIE PROVINCES—PROGRAMS TO ASSIST FARMERS

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, may I direct a question to the Prime Minister. In view of his recognition in his statement of the difficult economic situation in western Canada, and in view of the fact that the government must have been aware of this for some time, can the Prime Minister inform the House in a general way of some of the programs the government has in mind to deal with this situation?

Mr. Speaker: I suggest to the hon. member that the information he is now seeking should normally be given to the House by way of a statement on motions.

Mr. Gleave: A supplementary question. May I ask the Prime Minister whether the government's declared objective of selling 1.3 billion bushels of wheat over three years is still the government's objective?

Mr. Speaker: The hon. member for Halifax-East Hants.

TRANSPORT

DEPARTMENTAL REORGANIZATION—POSSIBLE EFFECT ON GRANTS TO MUNICIPALITIES

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, may I direct my previous question, which is an important one to the municipalities, to the Minister of Finance. Will the grants in lieu of taxation be reduced for any municipality as the result of the pending reorganization of the Department of Transport?

[Mr. Burton.]

Hon. E. J. Benson (Minister of Finance): I would think not, Mr. Speaker, but I had better look into the details to which my hon. friend refers, and perhaps I could talk to him about the matter.

AGRICULTURE

DISCONTINUANCE OF PREMIUM PAYMENTS ON HOG CARCASSES

Mr. Don Mazankowski (Vegreville): Mr. Speaker, I have a question for the Minister of Agriculture arising from the recent answer given to a question on the Order Paper with regard to the discontinuance of government premiums on quality hog carcasses. Is the minister in a position to indicate to the House when this program will become effective, or when we may expect a formal announcement in this regard?

Hon. H. A. Olson (Minister of Agriculture): No, Mr. Speaker, I cannot give a definite date at the moment.

Mr. Mazankowski: A supplementary question, Mr. Speaker. In light of the fact that this move represents a considerable saving to the Department of Agriculture, can the minister say whether this amount will be reallocated within the department? Could he also indicate whether this amount will be earmarked for a program for the early retirement of farmers?

Mr. Olson: Mr. Speaker, the hon. member now has the blue book containing the estimates for the coming fiscal year, and he can read that just as well as I can quote it to him.

FINANCE

MEDICARE—REFUND TO CERTAIN PROVINCES OF MONEY COLLECTED THROUGH SOCIAL DEVELOPMENT TAX

Mr. A. D. Hales (Wellington): Mr. Speaker, I should like to direct my question to the Minister of Finance, and it has to do with the dominion-provincial conference. In view of the fact that the provinces of British Columbia and Saskatchewan were the only provinces to join medicare on July 1, 1968, would the minister reconsider the answer that he gave yesterday to the other provinces who did not join the medicare plan on that date and refund to those provinces, on a pro rata basis, the money that he collected from the social development tax?

Hon. E. J. Benson (Minister of Finance): No, Mr. Speaker, and I wish that some of the provinces who are receiving the money would make sure that the people who are insured get it.

Mr. Hales: A supplementary question. Would the minister advise the House whether the social development tax was imposed for the purpose of paying for medicare?

Mr. Benson: No, Mr. Speaker.

SHIPPING

COMPLETION OF DIGBY-SAINT JOHN FERRY

Mr. Louis-Roland Comeau (South Western Nova): Mr. Speaker, you will rejoice at the fact that you have not heard this question for about nine months. May I ask the Minister of Public Works whether he can assure the House that the Digby-Saint John ferry project will be completed on the date scheduled?

Hon. Arthur Laing (Minister of Public Works): Mr. Speaker, we were afraid at one time that the ship would be ahead of us. There is now some suggestion that we will be ahead of the ship.

CANADIAN BROADCASTING CORPORATION

COMPLAINTS RESPECTING "HOURGLASS" PROGRAM

Mr. Randolph Harding (Kootenay West): Mr. Speaker, I have a question for the Secretary of State. In view of the recent and completely unfair representation made by the Canadian Broadcasting Corporation "Hourglass" program of the city of Nelson and its Notre Dame University, may I ask the Secretary of State whether he has investigated the many complaints received about this particular production and, if so, whether a report on the investigation is available.

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, this is the first complaint I have heard against this program, but I take note of the representations of the hon. member and I shall ask the CBC about it.

SPORTS

GRANT TO QUEBEC AMATEUR HOCKEY ASSOCIATION

Mr. René Matte (Champlain): Mr. Speaker, I should like to put a question to the Minister of National Health and Welfare, but since we have seen very little of him in the House for quite some time, I will put it to his parliamentary secretary.

Has the Minister received complaints from the Quebec Amateur Hockey Association in connection with the attitude of the Canadian Amateur Hockey Association towards the 8,000 Quebec teams which are receiving a $9,000 grant compared to $27,000 obtained by the 4,000 teams of Ontario?

Mr. Speaker: I think that this question could be put on the order paper.

[*English*]

TAXATION

WHITE PAPER ON REFORM—STATEMENT BY SASKATCHEWAN PREMIER

Mr. Stan Schumacher (Palliser): My question is directed to the Minister of Finance. Will Premier Thatcher's statement that he would have to reconsider being a member of the Liberal party if the white paper on tax reform is proceeded with persuade the minister that fundamental changes, if not complete withdrawal, of this document are now in order?

Mr. Speaker: The hon. member's question is argumentative.

THE BUDGET

INQUIRY AS TO PROBABLE DATE OF PRESENTATION, TABLING OF PAPERS

Hon. Marcel Lambert (Edmonton West): My question is for the Minister of Finance. Would the minister advise the House on what date he hopes to table the budget papers, and has he yet set the precise date for his budget presentation?

Hon. E. J. Benson (Minister of Finance): I hope to table the budget papers next week, but I would not like to be tied down to that. They are presently being prepared, printed and so on. The target date for the budget presentation is March 3, but here again I do not want to be tied down. It might be extended a week or so beyond that date, depending on circumstances.

COMPANY OF YOUNG CANADIANS ACT

AMENDMENTS RESPECTING STRUCTURE OF ORGANIZATION

The House proceeded to the consideration of Bill C-176, to amend the Company of Young Canadians Act, as reported (with amendments) from the Standing Committee on Broadcasting, Films and Assistance to the Arts.

Mr. Speaker: Before calling on the hon. member for Halifax-East Hants (Mr. McCleave), may I suggest that the first motion to be proposed by the hon. member for Fraser Valley West (Mr. Rose) bears on the same clause as does the motion in the name of the hon. member for Halifax-East Hants. I would like the House to consider the possibility of combining both motions for the purpose of debate, but that would require a separate vote to be taken on each motion. I have looked at both motions and it seems to me that it would be rather difficult to isolate the debate on each one of them, so that contributions to the debate on the first motion would be relevant to both motions, and, if required, a vote could be taken separately on each one of them.

In a preliminary way, I might suggest at this time that motion No. 3 on the notice paper in the name of the hon. member for Fraser Valley West may be defective. However, I am not making a ruling now. I hope that in the course of the debate hon. members might take a look at it and give advice to the Chair on the point I want to make. That motion proposes the deletion of clause 5 from the bill as reprinted. It seems to me that the purpose of clause 4 of the bill would be to restrict the activities of the Company of Young Canadians to and within Canada. The effect of deleting clause 5 of the reprinted bill would be to restore a provision in the original act which enabled the company to carry out certain activities at home or abroad. What I am suggesting now is that if the motion standing in the name of the hon. member were accepted by the House, obviously there would be a conflict between clauses 4 and 5, and that of course would be very difficult to countenance. We might at that point have to go back to clause 4, and I am not sure how that could be done. This is a technical difficulty which hon. members might like to consider, and when we get to that motion hon. members might like to argue either for or against the procedural point.

[Mr. Benson.]

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, as Your Honour suggested, perhaps we can postpone consideration of the question about motion No. 3, but I would like to indicate that we are quite happy with your ruling that motions Nos. 1 and 2 should be debated together but be voted on separately, if necessary.

Mr. Speaker: Is this agreed?

Some hon. Members: Agreed.

Mr. Speaker: The Chair will now put the first motion, and eventually when the debate has been concluded the second motion will also be put.

Mr. Robert McCleave (Halifax-East Hants) moved:

That Bill C-176, an Act to amend the Company of Young Canadians Act, be amended by adding in section 4(1) in Clause 1, the words "of whom three shall be elected by volunteer-members and the remainder" after the word "members" in line 16 and deleting the word "who" in line 17.

He said: I think it would simplify things considerably if the Secretary of State (Mr. Pelletier) could simply nod his acceptance, following which I would be quite pleased to sit down. The Secretary of State not having nodded his acceptance but having shaken his head in rejection, I will carry on.

First of all, let me make it clear on behalf of my associates that we maintan our objections to the bill incorporating the Company of Young Canadians. We feel that as a viable organization it has lost its credibility in the country. The kindest thing to do—and we did suggest this before—would be to kill it, and, with proper studies, start something new which would involve the participation of youth. But that has not been the position the government has taken, and so we are forced to consider what our duties and responsibilities are in studying this legislation. I think that it is the duty of Members of Parliament, whether on the government side or in opposition, to try to improve the legislation that comes before them. Although we do object to the continuance of the Company of Young Canadians, none the less we will try to improve the bill and make the organization as viable as possible.

Under the present law, as set forth on the opposite page of the bill to the clause that is now being considered and my suggested

amendment to that clause, hon. members will find that 15 members constitute the Council of the Company of Young Canadians, of whom ten are elected by volunteer members and the other five appointed by the governor in council. What the government proposes to do in the bill that is now before us is to appoint seven or nine members by governor in council and none by volunteer members. I suggest that this is a pretty abrupt change and that government control could have been exercised equally effectively by the governor in council appointing the majority of members of the council but leaving some to be selected by volunteer members. I think that the cure is an over-reaction to the problems that were discovered earlier in this session when the Standing Committee on Broadcasting dealt with the affairs of the Company of Young Canadians. It is to bring the thing into proper focus that I present the amendment which has the support of my colleagues and which, I understand, also has the support of my friends to the left. If my amendment does not pass, I will support with equal ardor their amendment.

Both amendments make substantially the same point, that there is room at the top in the Company of Young Canadians for appointees of volunteer members to have their say in shaping the policies. I think it is important that there be some appointees by volunteer members. These appointees could be from the volunteer members themselves or simply people who they think should be on the board of directors. In this way, at least there would be some say in the management of the affairs of the Company of Young Canadians by people acceptable to the volunteers, who really are the guts of the Company of Young Canadians. Without cheerful and willing volunteers, the Company of Young Canadians is ephemeral and only a dream. I am afraid the desire of the goverment not to have a participatory type of operation at the highest level in the Company of Young Canadians will drive away any support, or at least much of the support, young people would give to the Company of Young Canadians.

• (4:00 p.m.)

I wish I could peel off about 25 or 30 years and be in the position of a volunteer member. I believe I would look at the situation with some suspicion that youth was being condescended to and that father government knows best by simply choosing all the members who run the affairs of the Company of Young Canadians. There is that danger. Certainly, my amendment and the other amendment overcome that objection. It is true the minister could appoint former volunteer members to the board. I presume at some time when taking part in this debate he will announce that this is exactly his intention. But it is not the same thing.

Former volunteer members may run the risk of being called sort of "Uncle Toms" in the Company of Young Canadians set-up. In any event, they would not be as acceptable as people who were chosen in a proper election by the volunteer members who make up the backbone of the operations of the Company of Young Canadians. When this matter was before the broadcasting committee the strongest point made against selections by volunteer members was something called conflict of interest. Conflict of interest carries an ominous sound. I believe there are about six points which can be made to completely demolish this argument.

In the first place, the conflict of interest idea never really bothered anyone when the original measure was passed because, as I noted earlier, 10 of the 15 were to be selected by the volunteer members. Secondly, we had the interesting exercise in respect of the Telesat bill which, interestingly enough, went before the same committee. People from among the private carriers in the telecommunications industry form part of the board of Telesat Canada. I cannot think of any greater conflict of interest anywhere than in Telesat, yet this did not cause anybody that much concern. Certainly, it did not concern the government.

The third argument to demolish this nonsense about conflict of interest is that the majority of the members on the board would be government appointees. It would be almost impossible to believe that one person appointed by volunteer members could somehow smuggle in something which, although definitely to his own advantage, would be of disadvantage to the Company of Young Canadians. I just cannot conceive of that taking place at all. The fourth point to demolish the argument about conflict of interest has perhaps some validity to those interested in the conflict of interest idea. I refer to the danger that a volunteer member would not see the whole forest for his own trees; that is, he would be so busy promoting something he wanted to see done that he would not be truly representing the interests of the whole group of volunteer members. I suppose this is a possibility whenever any group of

men and women meet together to make decisions. Yet such a person obviously would find himself operating on his own without support from those around him. In any event, I think the volunteer members could settle his hash by an election at a subsequent time.

The fifth point in respect of this conflict of interest theory is that the volunteer members could choose non-volunteer members. Perhaps they would choose someone who had graduated from the ranks of volunteer members. But they would not be limited by my amendment to choosing from among the volunteers. The sixth argument against this so-called conflict of interest theory, I think, is perhaps as germane as any. I draw a parallel to the directors of corporations because shareholders become directors; in fact, they are required to hold shares before they can become directors. I suppose in that sense one could say there is a certain conflict of interest and that their decisions could affect their own personal fortunes. Yet, this is a very acceptable mode of doing business. No one questions this at all. To continue the parallel, I do not see any reason why, if volunteer members should become members of the board of the Company of Young Canadians, their personal interest and desire to take part in the activities of the Company of Young Canadians should disqualify them.

It is important that there be more objective control of the Company of Young Canadians than there was in the past. I do not intend to go over the history. It is well known, and if I were to do so it would involve a reference to some persons who have been allowed to retreat from the Company of Young Canadians. It was pretty obvious from our studies and discussions that one weakness was the failure to properly research the projects undertaken by the Company of Young Canadians. Volunteer members would rush in to try to correct a situation which probably was not capable of correction. They would leave the community they were trying to serve in a complete state of frustration and would find themselves completely frustrated. Some of these young men and women actually required psychiatric treatment after their service in the Company of Young Canadians. I think this was simply due to the fact that they thought some unpleasant situation, which may have been incapable of correction, required correction or a cure. The result was that they immersed themselves in a frustrating situation and became frustrated themselves.

[Mr. McCleave.]

I can buy the principle of government direction to the point that the overriding authority is there if the government appointees wish to exercise it. But I would hope that if it came down to a real tug-of-war between authority and responsibility in respect of whether some silly project should be approved, common sense and the majority would carry the day.

• (4:10 p.m.)

But I cannot see asking young people to be involved in the donkey work, which again is the guts of the work of the Company of Young Canadians, and not giving them the feeling they have a say in the operations and direction of the Company. It is pretty obvious that the type of youth attracted to the Company of Young Canadians wants the chance to tilt at the establishment, to provide voices for those in need. Their argument is put rather well in a brief submitted to the broadcasting committee on February 3 by the Great Slave Lake Project of the Company of Young Canadians, operating out of Yellowknife. Page 2 of that brief reads in part:

> What we are saying is that you cannot seek answers to the problems of groups disenfranchised by a particular system from within that system.

I do not accept that point of view, Mr. Speaker, because later on in the same brief they make the point that many people are disenfranchised because their Members of Parliament are not totally representative of them. But nonetheless, Sir, there is some validity in what they say, and it is useful to have shrill voices of protest to remind us of the places in which we must, as a Parliament, take more action to help those who now live in a permanent shadow-world of despair.

In brief then, Mr. Speaker, I submit that we don't knock over, we don't put the whole thing out of kilter by giving young people some voice in the operations of the Company of Young Canadians. I suggest, Sir, that the over-reaction of government, turning the Company of Young Canadians into a company of bureaucratically run Canadians, is simply too drastic a cure for the problems we discovered when we dealt with the Company of Young Canadians before. I say to the minister that if his desire is to revive and turn the Company of Young Canadians into the useful force that we all hoped it would be when the legislation was originally passed with the blessings of everybody in this House, this approach now will alienate youth and will stultify the desire of youth to provide useful community service.

Mr. Mark Rose (Fraser Valley West): Mr. Speaker, in speaking in favour of the two amending motions which we are discussing at the same time today I would first like to say that I am struck, perhaps even perplexed, by what the minister said in his speech on January 28 on second reading stage, and the contradiction I find between his enlightened, philosophical exposition at that time and what we find in clause 4 of the bill before us. I read from *Hansard* the minister's words printed on page 2941:

> Our youth are active participants in our society, and although we wish to encourage their participation they are in many ways independent enough, aloof enough, to undertake a critical analysis that is impossible for our generation. I do not wish to set up youth as an independent alter ego screaming in the darkness. Rather, I wish to argue for a legitimate voice for youth in our structures just as I would argue, and have argued, for a legitimate voice for all people in our society.
>
> Youth in particular have a point of view; youth in particular have an analysis. The fact is that what we do today determines the society in which they must live tomorrow. The mistakes we make today, they must undo tomorrow. Surely, this is reason enough to grant them full and equal participation in our society. The worst possible thing that could happen, in my opinion, would be a return to the dull fifties, the period of navel contemplations by youth.

I would like to emphasize the words of the minister which I read earlier, Mr. Speaker:

> Rather, I wish to argue for a legitimate voice for youth in our structures—

Now, I find in reading the clause we are discussing, clause 4 in the bill, that:

> There shall be a Council of the Company consisting of not less than seven and not more than nine members, who shall be appointed by the Governor in Council—

That is a very interesting juxtaposition of two viewpoints. Anyone can see at a glance that if there is no contradiction between the minister's views and what we find in the bill, then we have before us at the very least a dramatic excursion, and this causes me to wonder whether the minister really believes his own words. If he does, then he must have been subjected to some extreme pressures which caused him to support this particular clause.

How does he say, "I wish to argue for a legitimate voice for youth in our structures" on the one hand, and then go to the length he has in denying that very voice in the councils of an organization designed to attract youth to help overcome some of society's ills? It seems incredible to me and to my party that, in the age of alienation and struggle for participation, the minister would consider such a reactionary move. I believe he should reject it out of hand.

This is an era in which there exists a great push towards shared decision making. We have emerged from the Apollonian era of apathy and acceptance into one which seeks to extend democracy far beyond the simple one man-one vote concept, and perhaps into a new age where the governed and those governing them are continuously in dialogue.

I think a glance at our daily newspapers will confirm to us the fact that the students, the labour unions, the Indians, the blacks, the tenants, the poor, and the anti-pollution groups are all hammering on the doors of whatever establishment is at the moment constraining them, depriving them and frustrating them. They are knocking on these doors because above all else they want to be able to participate in those decisions—the rules of the game, if you like—that are likely to affect their lives, and they want to do it more than once every four years. In fact, they are demanding that this voice will not diminish. I do not think there will be a return to a former period of navel contemplation, to use the minister's words. On the contrary, society must adjust to this hunger for a voice or I believe the only alternative is for society to arm itself for some violent reactions. I realize the minister knows all of these things and probably agrees with me on most of them. That is why I find it impossible to understand the reason for returning to a totally appointed council concept, as if this were going to be some magic solution to all of the problems associated with the CYC.

Let us review CYC history for a moment. First of all, we had two and a half years of the CYC with a completely appointed council. Included on that council, I might add, were some of the men who are today very important in government circles behind the scenes. The CYC was constantly in hot water then because of the failure of these men, and of others, to do the job adequately. Then, after these two and a half years, we had three or four months last fall of an elected council. Ten of the 15 members were to be elected by or from the volunteers, and five were appointed. But the same story prevailed. There was lots of controversy and the CYC was in for more than its share of hot water. Then, just before Christmas we heard the powerful voice of Mr. Saulnier of Montreal, and a tremor was felt throughout the land.

• (4:20 p.m.)

This tremor quickly produced a parliamentary committee to consider the problem further and make certain recommendations. Following the committee report, we had imposed upon the CYC a one man trusteeship under which all facets of the CYC were frozen on the spot, projects were cancelled and much work ground to a halt. Today, we are considering this enlightened document, Bill C-176, which I believe is disloyal to almost everything the Committee report and the CYC orginally stood for. Now, some four years and $7 million later we have completed the circle and are back to the appointed council. I oppose this idea in the strongest possible terms.

I realize fully, Mr. Speaker, that my motion and the previous one will be regarded by some of the flaming revolutionaries as mere tokenism. They may well say that unless they can have a majority on the council, they do not want to play. These amendments also may be regarded as mere tinkering with an organization so totally defanged as to be meaningless in terms of the job to be done. Be that as it may, I genuinely believe that the voice of the "doers" should be heard strongly on the council, not just that of the "planners."

An amendment calling for three of seven or eight and four of nine to be elected by volunteers would achieve this kind of voice and give those close to the projects a pipeline to those council members further removed. That kind of liaison would be beneficial to everyone concerned. It would not be a majority voice so the criticism of project backscratching could not prevail. It would not be a case of "you back my project and I will back yours". This whole problem and the criticism levelled previously could be avoided.

Another criticism raised to volunteers electing council members is that it puts the executive director in an impossible position. As part of management he has, so to speak, to work with people who may be concurrently his superiors and his subordinates. I do not believe this is a strong argument, because if the council operates effectively and within the rule that the council is supposed to address itself to, that is one of policy and legislation, it would not interfere with the executive or administrative function. I think as long as the executive and legislative roles are completely isolated from one another, this management criticism could well be avoided. I believe the council could set its policy and the administrative director could administer the same. I do not believe the council should be concerning itself with administration; neither do I believe that the executive director should be concerning himself with policy.

I urge the House and the minister to accept this amendment. I think it is in keeping with the minister's own views of participation and will indicate to those volunteers who do remain that this firsthand "in the field" experience will be readily transferred to the body charged with framing the policy under which the volunteers must function and work.

Before I close, I think I should protest the fact that neither during the committee hearings of last fall, nor those of last month at which this bill was considered, did we hear from the volunteers. They did not appear before us in spite of repeated requests from them. I tried, to no avail, to have them before us again this month and I think if they had expressed, some of their concerns and fears for the new order of things, their views might have been exposed and discussed.

I also wanted to learn a great deal more personally about the activities of Mr. Mendelsohn, the comptroller, and the executive director during the time they remained firmly in the saddle. Since their tenure is to end on March 31, I wanted to know how many projects were cancelled; how were volunteers replaced, if they were replaced; what criteria were used in shaping those decisions. These were things that concerned the volunteers in the field, but we were denied the information in committee so hon. members are again being called upon to render a decision on a complex and emotional subject without the complete story. I think also it would have been useful to hear how the people served in the various areas felt about the CYC. I think that was an oversight; we did not have a chance to explore that side of it. Most of our time was taken up by a continuous parade of high level administrators and seldom did the committee get down to "where it's at".

Over the last two months we have had little chance to look at Mr. Mendelsohn's reign and to look at the function of local projects from the top down, which is a reversal from the previous method of operation. Doubtless the comptroller was merely fulfilling his mandate, which was to freeze everything in sight. I would not suggest that there was no reason for this. Members of our party have said before that we felt there should be financial responsibility and accountability. Certainly, there have been severe restrictions placed on some of the remaining projects.

Telephone and travel costs were restricted. This does not mean much in an urban centre but in an area such as the north coast it is essential to be able to contact people by telephone or travel. The Vancouver office, serving three projects, was limited to $25 per month for office costs. They could not even run their duplicator, which could have been a good thing for some projects. However, I do not think we experienced irresponsibility in the Vancouver project. In spite of people resigning and leaving the various projects, no vacancies have been filled; therefore some projects are necessarily understaffed. Efficiency is great. Like planning, like preparation and like motherhood, everybody approves of it. But what is the good of streamlining procedures and inviting budget control if, in the process, you choke off active work at the community level? I realize it will not persist forever but in a situation like this do we not want to run the risk of being left with a streamlined top-level management team in a non-functioning series of field projects.

To close, Mr. Speaker, it seems to me that if this bill is passed unamended we will have a strictly conventional organization with the standard, staff line arrangement. There will be nothing to distinguish it from other Crown corporations, in spite of the CYC's unique role and the job for which it had been established. It is my opinion that the reason it was established was to respond positively to the failure of conventional organizations in other areas of our society. It seems, however, that we are creating another very conventional and inflexible organization and if such structures could not meet the needs of society four years ago, there is little possibility they can now.

I hope the minister will consider the words of the hon. member for Halifax-East Hants (Mr. McCleave) and myself and re-examine this particular clause, because we put forward our views with sincerity. Perhaps we do not have the high level of indignation that would make for an emotional speech but we have thought about it a good deal, as I am sure the minister has, and I would like him to consider it.

• (4:30 p.m.)

Mr. Horner: Mr. Speaker, before the hon. member sits down, will he permit a question? I have listened to him and looked at the evidence taken before the committee with regard to this whole question. Having listened to the hon. member, examined remarks made before the committee and looked at his amendment, I am not certain whether he is in favour of a majority of the council being volunteer members or appointees. I believe the minutes of the committee suggest that he wants the majority of the council to be volunteer members; yet his amendment really suggests that three council members out of seven or eight ought to be volunteers, which is somewhat less than a majority. It seems to me that the hon. member, in his amendment, takes a position slightly different from the one he adopted in committee. Perhaps he could explain this discrepancy before he sits down.

An hon. Member: That is a good question.

Mr. Rose: Mr. Speaker, I thank the hon. member for Crowfoot for his question. The amendment speaks for itself. I am not aware of any discrepancy in my position; nor did the hon. member bring to my attention any part of the committee minutes which suggest that I may have changed my mind.

Mr. Horner: But it appears that the hon. member has changed his mind.

Mr. Rose: I will say that the committee did not recommend a completely appointed council. It recommended that the minister should look at the structure of the council, and I think the minister did. Nowhere in the committee report is it indicated that the committee is in favour of a completely appointed council.

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, nothing would please me more than to agree with the hon. member for Halifax-East Hants (Mr. McCleave) and the hon. member for Fraser Valley West (Mr. Rose). Unfortunately, I do not share their views and I would like to give briefly the reasons why the bill before the House was introduced in its present form.

First, the argument of the member for Halifax-East Hants has surprised me somewhat. It could be summarized as follows: the Company of Young Canadians is a very sick child; it therefore should be killed. It is an awkward solution in the treatment of a sick child. But what followed is even more astonishing as the member stated implicitely: "If we don't kill it, let's see to it that it remains alive but not well."

I confess again that this kind of reasoning is beyond me. The hon. member concludes his remarks by accusing us of over reaction, that

is to say that we have reacted too quickly to the misfortunes which befell the Company of Young Canadians, misfortunes which, besides, would justify in his view that it be killed.

He then continued by disproving arguments already put forward before the parliamentary committee. I would like here to simply repeat in its most elementary form, in case the remarks of the hon. member for Halifax-East Hants blurred it a little, the line of thought behind the amendments moved in connection with this legislation and which are under consideration at the moment.

We said at the committee—and I should like to repeat it this afternoon—that the volunteers, should they be appointed or elected to the Council of the Company, would be placed in a situation that would inevitably create a conflict of interests for them on two levels.

When the member for Halifax-East Hants says that at the time when the original bill setting up the Company of Young Canadians was being studied no one objected to the appointment and even the election of volunteers to the council, he speaks the truth.

There are many things, Mr. Speaker, to which no one objected at that time. The member for Halifax-East Hants himself recognized, at least implicitly, that it might have been better to object to it at the start, when the original bill was introduced in the House; this might have spared the Company of Young Canadians unpleasant adventures with which the parliamentary committee became acquainted before the Christmas recess.

As I was saying, the election or the presence of volunteers on the Council of the Company of Young Canadians creates a conflict of interests on two levels: first of all, on the personal level, because they are called upon to participate in decisions that affect them personally and determine their fate, that determine the allowances paid to them, for instance, and even determine the policy that will guide the authority that governs them, that is the executive director of the Company.

There is also a collective conflict of interests, so to speak, because, as members of the executive or the council, they are called upon to decide upon the various CYC projects, including those in which they will participate themselves.

They are called upon to reach decisions, for instance, on the allotment of funds to the various projects, those in which they are participating, as well as those to which the other volunteers devote themselves. Obviously, they have a hidden interest to promote the apportionment of greater funds to the projects on which they are working. I am not saying they will all do that but I say that we are placing them where they will be tempted to prefer their personal interest or the collective interest of their small project to the general interest of the company, to the superior interests of the organization as a whole.

Those are not myths, Mr. Speaker, those are not speculations, but facts. At the time volunteers were a part of the company's council, we witnessed stand-up fights as well as schemes whereby individual interests instead of the superior interests of the company prevailed in the end. That is why upon learning that, the parliamentary committee recommended to change the method of appointing the council of the company.

When the hon. member for Halifax-East Hants says he is not much impressed by the objection concerning the executive director, he still does not convince me, for the executive director is also placed in an impossible position if volunteers are appointed to the council. I wonder what could impress the hon. member for Halifax-East Hants. In such a case, the executive director is being placed in the position of having the same people as superiors and as subordinates.

[*English*]

Mr. McCleave: On a question of privilege, Mr. Speaker, I think the minister's argument at this time is directed to something my hon. friend said and not to what I said. I think the record ought to be put straight in this regard.

• (4:40 p.m.)

[*Translation*]

Mr. Pelletier: Mr. Speaker, I apologize and I want to correct my mistake right away. In fact, the argument put forth by the hon. member for Fraser Valley West (Mr. Rose).

In order to end the matter, let me say again that if we are to have volunteers in the council, the executive director will have the same people acting as his superiors on the one hand and as his subordinates on the other. The people defining the policy under which he operates will be the very same to whom he will have to apply it. This would create a very difficult situation.

There are, moreover, other ways of ensuring the direct participation of the young. Indeed, under clause 16(2), the volunteers can set up an advisory committee and I daresay

that in western Canada and in Quebec, volunteers are already setting up grievance committees to deal on a formal basis with the management of the Company.

Though the proposed amendments suggest that there should be three or four volunteers on the Council, they will hardly make any difference. In order to reach the objective set up by the two hon. members we would need more than a symbolic number barely representative of minority. We would have to revert to the old system which, unfortunately, has proved disastrous.

Besides, the committee has already removed from the government the right to choose the president and the vice-president. This means that the young people themselves will appoint other young people to these two posts.

I now answer the objections of the hon. member for Fraser Valley West. He said that I was contradicting myself by saying that I wanted, willy-nilly, the Company of Young Canadians to survive. In fact, I said so on first reading because I sincerely assumed that young people had a part to play in our society.

The hon. member for Fraser Valley West maintains that under the new legislation, young people will not be able to play this part because no volunteers will be appointed to the Council. I hope that he does not think, because the government is not going to appoint volunteers, that it will appoint old people. The government will appoint young people. In the speech I made on the motion for second reading of the bill, I said that in September last we had appointed to the Council five members less than 30 years of age on the average and that we were determined to do the same with the new legislation. Would it be the contention of the hon. member for Fraser Valley West that as soon as a young man or a young lady is appointed to the Council by the government, he or she will stop being young? That would seem to me an argument rather difficult to support.

It would have to be assumed then that when the government appoints someone as a CBC director for instance, that individual stops being a free citizen on account of his appointment to the CBC Board of Directors.

Finally, the hon. member for Fraser Valley West maintained that by implementing the proposed amendments, we would alienate the young people, we would keep them away from the Company of Young Canadians. I can alleviate his fears in that respect because something rather strange but at the same time comforting has happened—rather unexpected in any event. In fact, ever since these amendments have been made public, through the press and all the mass media, I am advised that applications to the Company of Young Canadians have come in greater number than ever and that they are even more interesting in terms of years of schooling or equivalent experience of the new applicants.

That is all I have to say, Mr. Speaker. I just wanted to express once more the underlying concept of these amendments. Like the hon. member of Fraser Valley West, I did not want to make an emotional speech.

I think that we have to correct the mistakes which we all made when the bill was introduced for the first time. In my opinion, there is nothing shameful or criminal in rectifying the mistakes which we have made, even though we are the representatives of the people.

[*English*]

Mr. Nowlan: Will the minister permit a question?

Mr. Deputy Speaker: I see several members rising. I am prepared to recognize the hon. member for Champlain (Mr. Matte), but I understand the hon. member for Annapolis Valley (Mr. Nowlan) would like to put a question.

Mr. Nowlan: I had not intended to make a speech at this stage. I was very interested in the minister's concise summary of the government's position on the bill. My question is this. I would like to know how the minister reconciles the position about conflict of interest and no volunteer members directly on council because, as he said, of a personal or collective conflict? I can understand some of that reasoning. How does the minister reconcile that reasoning with the whole movement of youth today, especially on the campuses of the country where you have in effect the same type of thing? Does his reasoning also apply to the direct involvement of the campus youth in trying to get representation on the senates or boards of governors of universities? Obviously, they are in a conflict of interest position.

My second question is separate and apart. Am I to understand from the minister's remarks that even though he has the discretion to appoint volunteer or ex-volunteer members to the board or council that, because

of his reasoning on the conflict of interest question, while there may be young people appointed to the council there will not be any volunteer members appointed to the council?

[*Translation*]

Mr. Pelletier: As for the first part of the question, Mr. Speaker, I believe there is a great difference between an undertaking like the Company of Young Canadians, that is, a company engaged in pioneer social work among underprivileged people, and the pursuit of studies on a university campus.

If this distinction is not quite clear to the hon. member, I am sorry, because I cannot dwell on that point.

For me, this distinction is quite clear, and I must say that I am not at all opposed to student representation on university senates, in spite of the fact that the students themselves are beginning to find rather relative the influence they can exert from this minority representation.

In reply to the second part of the question of the hon. member, I wish to tell him that it is quite out of the question for the government to refuse to appoint ex-volunteers to the Council. On the contrary, we would be most happy to appoint people with experience in the Company of Young Canadians and who would put their wisdom and the fruit of their experience at the service of the Company. But for the reasons that I tried to explain and in which I firmly believe, I contend that those who are now volunteers in the Company should not be appointed to the executive Council.

[*English*]

Mr. Rose: I rise on a question of privilege, to be followed by a question to the minister. I had difficulty following the minister in the translation, which is my fault, not his. I believe he stated that I either said or implied that young men and women appointed rather than elected to the council would somehow cease to be young men and women. If I heard the minister correctly, I feel this is kind of a strawman argument. I do not believe I implied that at all. Perhaps we can both look at each other's speech tomorrow.

My question with respect to the conflict of interest is, how does the minister justify his position that three members, who may or may not be volunteers but elected by the volunteers, can have a great conflict of interest with perhaps 30 or 40, or hopefully more than that, projects across Canada?

[Mr. Nowlan.]

Mr. Pelletier: My answer will be very simple, Mr. Speaker. It is experience that tells me that. Even in meetings of the previous council, where there was only a minority of volunteers, it was enough sometimes—and I do not think I am mistaken in stating this—to disrupt the whole meeting and to make the work of the council totally unproductive. I do not think it is a bogus argument. I regret if my interpretation of the hon. member's words went a little bit too far, but when he said that the fact the government was appointing the members of the council would, in a certain way, be a departure from the principle of participation of the young people, I thought he was suggesting that they ceased to be young people from the moment they were appointed. I say that the directors we will appoint will be young people who will be participating as such. That is what I mean.

• (4:50 p.m.)

[*Translation*]

Mr. René Matte (Champlain): Mr. Speaker, I would like to comment on a few aspects of the amendment to the Company of Young Canadians Act.

Earlier, I was listening to the minister who was trying to justify some mistakes. Of course, it is difficult to correct a situation when all solutions are eliminated in advance. In fact, the government discarded one of the most logical solutions regarding the Company of Young Canadians: its abolition which should have been seriously considered. When an agency ends up in a failure, its dissolution is one of the solutions to be considered.

But since this magnificent idea came from a former prime minister and was maintained by his spiritual son, they do not want to publicly lose face. That is the real reason why they refuse to consider seriously the possibility of simply abolishing that Company.

An alternative would be to alter it completely and entrust its administration to provincial authorities.

The basic mistake has been to establish an organization of young people who were directly under provincial responsibility. This is so true that if an attempt is made to determine where more difficulties arose it is found to be in Quebec, simply because right from the start, the Company did not impress Quebecers in the least.

So, it was easy to create cells within the Company, with the unfortunate results we heard about in committee.

Mr. Speaker, that is the real problem, and every time that the solutions sought fail to go

to the heart of the matter, there is no real change. Such is the case with sections 3 and 4 that are to be amended in order to change the number of directors and to provide a different procedure of their appointment. That will not change anything, because this is a federal agency, composed of young people, who have to deal with problems that are primarily the concern of provincial authorities. However, at numerous federal-provincial conferences, the provinces, Quebec in particular, expressly asked the federal government to give them the means to carry out their responsibilities. And since they lack the means to look after their needs, they are simply told to shift for themselves in the tax jungle in order to solve their problems. And then, the government introduces legislation itself and does not mind its own business.

Knowing the fantastic amounts of money spent by the Company of Young Canadians, we have a right to ask questions. This is why I say that the Company should have been completely overhauled instead of being superficially reformed, simply because such drastic changes would have made possible in the first place a better total decentralization. All the provinces should agree on that, because I feel that such an organization will never be effective in Quebec. We have now the best proof of this in what has happened.

On the other hand, there already exist youth organizations. They must rely on volunteers alone. They receive no subsidy and in spite of that, they do a tremendous job. If the money allowed to the Company of Young Canadians was paid under the form of grants to the existing agencies, which would then be able to perform the duties the CYC was entrusted with, it would be marvellous. Why create agencies there is no need for? Why should we not abolish what was a failure? There are agencies which would be able to do this work and on which we could rely entirely.

That is the reason why I wanted to point out that every time something is done that encroaches upon exclusively provincial fields of jurisdiction, conflicts arise which very often lead to unfortunate situations such as the one we witnessed.

If the government kept strictly to its own business, it would pay the provinces the compensations they need to carry out theirs. The provinces are closest to the individual and are responsible not only for his welfare and his health but more specifically for his education. And everyone knows that control of education is the apple of Quebec's eye. Therefore, an agency controlled from outside the province, out of step with the true spirit of Quebec can only lead to anarchy and the other perturbations we have witnessed.

That is why in my opinion the Company, which has demonstrated its uselessness, not to say its stupidity, should have been either abolished or thoroughly transformed in order to come, as would have been normal, under control of the relevant provincial governments. Unless this is done, expenses will continue to be incurred for an agency that has practically no effectiveness at all, and once again, Canadian taxpayers will have to foot the bill.

[*English*]

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I do not intend to make a long speech, nor do I intend to recall in any detail the debate which took place when this bill was discussed earlier.

I was a member of the committee which dealt with the problems of the Company of Young Canadians, and it is no secret that I was extremely critical of the way in which the Company of Young Canadians had functioned. I still believe that most of the criticisms made of the Company of Young Canadians, and the way in which it had operated almost from the day it was set up were valid criticisms. Nevertheless, it was the government which set up this organization; it was the government which appointed the board responsible for administering it. The government was warned of what was going on, yet it ignored all the warnings and reports which it received until the City of Montreal experienced riots and disorders and until the chairman of the executive council, Mr. Saulnier, made extremely serious charges against the company and the way in which it was being operated. The government then belatedly awoke to the problems facing them, and they over-reacted, as they over-reacted again today.

Let me briefly recapitulate some of the things we learned while the committee held hearings into the problems facing the Company of Young Canadians. The Company of Young Canadians was established under a former Liberal government headed by the then Prime Minister, Mr. Pearson. It had the unanimous support of this House. I was a member of the House at the time, and all members thought that the idea was a good one.

Company of Young Canadians Act

• (5:00 p.m.)

The government then made the proposal—and this proposal was adopted—that the Company of Young Canadians be given virtually unlimited authority to do anything. Its actions would be unchecked by the government or the board of directors of the company. It was the government that made this proposal, as it was the government that also put forward the concept of, as it was then called, participatory democracy.

The government appointed to the board of the company a group of people about whom it knew nothing. On the board almost to the end were at least two people who were very close to the government. Mr. Marc Lalonde, who was then, and still is, one of the principal advisers to the Prime Minister (Mr. Trudeau), was on the board from the beginning and almost till the end; and so was Mr. R. J. Phillips, who was then, and is now, in the Privy Council office.

Within months of the establishment of the Company of Young Canadians, reports started to come in of extravagance, of lack of any direction, of seriously thought out objectives and programs, and so on. So much was this the case that one of the maritime members of the board resigned. He wrote a letter to the Prime Minister outlining in detail what had gone wrong and why he was resigning his position on the board.

What action did the government take? It took none. We do not know whether the government received any report from Mr. Lalonde or Mr. Phillips because the inquiries that the committee was conducting were cut off. The majority Liberal members of the committee voted not to call Mr. Lalonde, and as a result we were unable to question him about what had occurred. The government should have known what was happening. Yet, it did nothing. It just let the matter drift.

During this period the Company had two or three acting directors, and all of them encountered difficulties. Again the government did nothing. It was not until Mr. Saulnier made his charges that members of the Company of Young Canadians, volunteers in Montreal and probably other cities in Quebec, were guilty of the most serious acts and crimes, such as inciting to violence, revolution and so on, that the government agreed to hold an inquiry, as a result of which changes were made. Therefore, I suggest that it is the government that is responsible for the difficulties encountered by the Company of Young Canadians, and the government is still responsible.

Having finally awakened to the fact that the Company of Young Canadians was not operating in the way it should, the government, as this government so frequently does, over-reacted. Many members pointed out the complete stupidity of having on the board, as was the case at the end, a majority of directors who had been elected by volunteers. Ten out of 15 members were elected and, speaking from memory, five or six of these ten had been elected from among the volunteers who were still working for the company. One or two were ex-volunteers. I was one of the members who realized—as in fact all members of the committee realized—that this was an impossible situation and that there was a conflict of interest.

What was the government's answer to this situation? As usual, it over-reacted. Instead of having the majority of the members of the board elected either by volunteers or from among the volunteers, the government said there would be no volunteers on the board. Anyone who reads the record of the committee proceedings will appreciate that I was a very stern critic of what I thought were the sins of omission and commission of the company and its operations, but surely in the year 1970 there is some room on the board for representation of people who are working for the company.

This is why, despite my reservations about the way the company operated in the past, I see no difficulty in supporting and voting for the amendments which will be proposed. Let there be some volunteers on the board. It would be stupid to let volunteers constitute the majority on the board, but there should be some volunteers on the board so that the Company of Young Canadians and the government know what the volunteers are thinking and what they want.

If the minister is worried about a conflict of interest here, then there is a relatively simple provision that can be written into the bill, namely that no volunteer who is a member of the board should have the right to vote on any project in which he is involved. In other words, he should not vote where a conflict of interest might arise. It seems to me that that would be a very simple answer. The minister is not prepared to do this, and it does not surprise me. If there is one thing that characterizes this government, it is the government's

attitude that the people of Canada should do what they say, not what the people think.

The minister has spoken today against the idea of having volunteers on the board. Some months ago he made a speech to the Association of Canadian Universities. I am sorry that I have been unable to find a copy or a summary of his speech, which did appear in the newspapers, as I wanted to put it on the record. It was an interesting speech in light of the attitude of the minister today. It was one of the toughest, sternest criticisms of our universities and the way they are administered that I have read in recent years. Although I cannot quote it word for word, I am sure I can fairly summarize what the minister said.

What did the minister say in his lecture—which is what it was—to the Association of Canadian Universities? He lectured the administrators of our universities very sternly because they had not faced up to their responsibilities in the 1960's and 1970's. They had not realized that times had changed. They had not realized that students at university could no longer be treated as children. They had not realized that students at university could no longer be given orders which must be followed. The minister told the administrators of our universities in no uncertain terms that in these days students at university had to be considered as people. They had to be consulted and given some authority. They should be given representation on the board of governors of a university. They should be given representation on the senates of universities, and I suppose I should also include representation on the faculty committees of universities. That was essentially what the minister said.

I am old-fashioned about our universities. I think the whole idea of student power went much too far. The minister was a great deal more radical in his speech to the Association of Canadian Universities than I have ever been. The minister was not responsible for Canadian universities and so he was prepared to be radical and revolutionary and to lecture the administrators of Canadian universities about their sins, about being stodgy and staid and not accepting the responsibilities of the 1970's.

• (5:10 p.m.)

What do we find today when we have an agency which is the responsibility of the minister? He has forgotten all those fine phrases which he uttered before the Association of Canadian Universities. He said some authority and responsibility should be given to the students at Canadian universities. Now, we have an agency for which the minister is responsible and for which the minister will have to account to the public. He will have to account to Mr. Saulnier who may have some influence on votes in Montreal. That being the case, all the ideals and principles about participatory democracy and the rights of young people to have a say in decisions concerning their own affairs fly out the window. What we get from the minister is the same old view that the volunteers are employees, that they should know their place, that they should be under the control of the director, the administrator, the government, and the minister, and that there is no room for representatives of the volunteers on the council of the Company of Young Canadians.

I say that the views which the minister expressed today are diametrically opposed, in principle as well as in execution, to the views he expressed in his speech to the Association of Canadian Universities. That the minister is not consistent does not surprise me at all because he and this government, so far as I am concerned, have demonstrated over and over again that what they want this Parliament to do and what they want everyone to do is exactly what they say. So I do not expect the minister—who has not listened to my speech, but that does not surprise me either—to pay attention to the speeches made on this side of the House on the amendment moved by the hon. member for Halifax-East Hants (Mr. McCleave) or the amendment moved by my colleague, the hon. member for Fraser Valley West (Mr. Rose). I think that both are good amendments and warrant the support of the House.

Mrs. Grace MacInnis (Vancouver-Kingsway): I wish to say a few words on this bill because I feel a real obligation to try at least once more to see whether we could not get the minister to see what he is doing to our young people who have shown their concern and who have demonstrated their abilities through the Company of Young Canadians. The activities of the company all across the country have not been of equal calibre. Admittedly the execution of some of the projects was poor, but on the other hand, in British Columbia for instance—and here I am speaking about something that I know—the young people have used their initiative and

have made a real impact on the communities in which they have been doing social pioneering work.

My objection to this bill is that it is trying to keep back the social thinking and development of the young people. Young people today are not going to be kept back. They want the right to express themselves and they want the right to participate in the decisions that affect their lives. When they are stultified, they use less desirable ways of expressing themselves in both words and actions. In my opinion, it is essential that we adopt these amendments which aim at having at least part of the council elected by volunteer members. If this is not allowed, the young people will not be able to demonstrate their initiative, proof of which we have already had in our province.

I do not need to go into detail about the projects that have been undertaken there except to say that the members of the CYC have shown a great capacity for resourcefulness in the low rent housing projects, which has surprised the Vancouver people. They have gone in when they were requested and they have assisted people in the housing projects to take control of their own lives in a way which nobody believed possible. One of the most successful projects that they have undertaken has been work among people who have come out of penitentiaries, people who have been involved with drugs and other young criminals. The fact that the CYC volunteers have given their assistance and leadership has helped the people in the community to regain their self-respect, to get back on the track and to become self-supporting again. The same thing has happened where they have worked among the Indians on the north coast.

If the Company of Young Canadians is made into a housebroken, tame organ of this government, we will lose these young people. They will not be interested in doing everything that they are told to do by Ottawa. If you know anything at all about provinces on both our coasts, you also know that the people there do not want things to be run for them and every detail of their lives worked out here in Ottawa. For one reason it takes far too long for directives to get out there, and for another the people in Ottawa do not see things the way people do in different parts of the country.

We are living at a time when everybody tells the young people that what they must learn to do is to take part in the decisions affecting their lives. The Prime Minister (Mr. Trudeau) was elected partly on his personality and partly on the slogan "participatory democracy". There is no section of the community that is more determined than the young people are to participate in the decisions affecting their lives. If one tries to dam them up behind the old walls and tries to tell them to do exactly what they are told to do, they will stop being people of initiative and resourcefulness. They will become tame, youthful Uncle Toms; broken in spirit and following along just to keep their jobs. They will be tame cats instead of tomcats. It should be the opposite.

As my colleague said a little earlier, what the government has done is to panic. They made a mistake in not giving proper direction in the first place. The CYC did not receive guidelines or directions in any shape or form. As a result, things went wild and got out of control because certain elements in the company tried to achieve goals which the company was never intended to achieve. In my part of the country, the CYC people were able to hang on to things and keep on with constructive projects, probably because we do not have as big a centre as either Toronto or Montreal.

If you want to keep the faith of the young people and to make the best of their abilities to do social pioneering work where it is most necessary, you have to go along with amendments of the kind we are proposing. These amendments are very necessary. I am referring to the amendment of the hon. member for Halifax-East Hants (Mr. McCleave) and of my colleague, the hon. member for Fraser Valley West (Mr. Rose). I know that the minister is one of these people who takes pride in making up his mind very early in his life and then saying "no matter what happens in the way of change, here I stand and I will not look at the matter again for fear I might be tempted to change my mind". I wish that the minister did not do that because we are living in a very fast-moving age. I, myself, grew up surrounded by many people who thought it was wonderful to hang on to old ideas because their father, their grandfather and their great-grandfather did the same. But nowadays, people know that this is not the way to do things.

• (5:20 p.m.)

I think the minister would be very capable of taking another look at this if only he could get away from the feeling that he has made up his mind and cannot change it. They

say that women's minds are purer than men's because they change them more often. I would not mind the minister developing that quality a little in respect of this bill. I should like him to change the bill so that it is more sensible, whether purer or not. If he does not do this he will lose the fire, energy and drive of the young people in this country who would otherwise take part in the Company of Young Canadians. For this reason, I support both the amendments before us which recommend that the volunteer members be allowed to elect three of the members of council if the council does not consist of more than eight members or four if it consists of nine members.

Mr. Deputy Speaker: The motion before the House is motion No. 1 in name of the hon. member for Halifax-East Hants (Mr. McCleave). Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Yea.

Some hon. Members: Nay.

Mr. Deputy Speaker: All those in favour will please say yea.

Some hon. Members: Yea.

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

Some hon. Members: Nay.

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

And more than five members having risen:

Mr. Deputy Speaker: Pursuant to section 11 of Standing Order 75 the recorded division on the proposed motion stands deferred.

The question now is on motion No. 2 in the name of the hon. member for Fraser Valley West (Mr. Rose).

Mr. Mark Rose (Fraser Valley West) moved:

That Bill C-176, An Act to amend the Company of Young Canadians Act, be amended by deleting in section 4(1) in clause 1, all the words in lines 17 and 18 and substituting the following words:

"of whom three shall be elected by volunteer-members if the Council consists of seven or eight, but of whom four shall be elected by volunteer-members if the Council consists of nine members, the remainder to be appointed by the Governor in Council for such terms not exceeding".

Mr. Deputy Speaker: Is it the pleasure of the House to adopt the Motion?

Some hon. Members: Yea.

Some hon. Members: Nay.

Mr. Deputy Speaker: All those in favour will please say yea.

Some hon. Members: Yea.

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

Some hon. Members: Nay.

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

And more than five members having risen:

Mr. Deputy Speaker: Pursuant to section 11 of Standing Order 75 the recorded division on the proposed motion stands deferred.

Mr. Mark Rose (Fraser Valley West) moved:

That Bill C-176, to amend the Company of Young Canadians Act, be amended by deleting clause 5 therefrom.

Mr. Deputy Speaker: Prior to hearing debate on this motion I might clarify an area about which there has been some confusion. The clause 5 referred to has reference to clause 5 of the original bill. I understand hon. members have before them the bill as reported from the committee. In that case it refers to clause 4 of the reported bill. I hope with that clarification we can proceed.

Mr. Rose: Mr. Speaker, I will try not to speak at great length on this particular amendment—not more than 35 minutes or so—because my colleagues to the right and across the room are very anxious to have the vote on this particular bill before six o'clock.

In moving this amendment I should like to say that in proposing the deletion of clause 5 in the original bill, C-176, and now I believe clause 4, I am in essence attempting to continue the concept of the Company being permitted to work in countries other than Canada provided a policy decision is made at some future time to have the Company do this. As every member knows the Company, at least up until this point, has not seen fit to work abroad. By restoring this clause to its form in the original legislation, we would be permitting the Company of Young Canadians to move into the overseas field at some future date. So, really what I am suggesting is not particularly startling. I believe one of the most attractive aspects of the original Company of Young Canadians legislation was the possibility of members of the Company serving their country, not only at home but

abroad, as volunteers working in some of the have-not nations of the world.

Certainly, one needs little imagination to realize that two-thirds of the world's people are in a shocking state of development. Certain developed countries do very little about this and the gap grows wider as the years go by. I believe some hon. members have read Robert Theobald's book, "The Rich and the Poor" in which this problem has been examined in great detail. People are becoming hungrier in the world. Illiteracy is growing. People are living longer because we have lowered the death rate. People are becoming more numerous because we have not lessened the birth rate, resulting in more and more marginal land being farmed and lower yields. It does not take any great genius to understand that with the use of that window on the world, television, becoming more widespread, hungry people will not forever stand looking in that window at we fat and sassy North Americans with our sleek autos and healthy children while starvation, disease and ignorance form so much a part of their own lives. They will want a piece of the action too, and in my opinion they will take it by force if there is no other alternative.

I should like to read from a speech by Mr. Romeo Maione given recently in Vancouver. This speech was prompted by the Pearson report entitled "Partners in Development". In this speech he states:

> It is becoming clear with each passing day that the challenge that faces the rich countries is to use their affluency to win the war against poverty. Yet when we face the immensity of this war, there is a tendency towards despair and away from life. The magnitude of the problem tends to develop a paralysis of the will.

He goes on to say:

> Yet hope can only grow in the measure that we face facts. Let me list a few facts. Population in the world will double in the next twenty to twenty-five years. Urban city population in many regions of Latin America will double in the next fifteen to twenty years. Rural stagnation stimulates a flow of migrants from the land and urban death rates are often lower than those in the countryside while fertility remains high. If present trends continue, the largest city in India would have over 35 million inhabitants by the year 2000. Even if fertility should be considerably reduced in coming decades, the less developed world will double before the end of this century.
>
> Of one hundred children entering primary school in developing countries, no more than thirty finish. Indeed in most African and Latin American countries, more than 50 per cent of primary school pupils do not return to school after the second grade.
>
> One could go on increasing the shadows to obliterate the sun and so return to our affluent caves armed in quiet desperation.

[Mr. Rose.]

The next paragraph is entitled "Hope Unlimited":

> This fate is not shared by the authors of the Pearson Report. They outline a whole series of actions that will move the rich countries into the heart of the war against poverty. These lines of action are part of an over-all war based on the valid experience of the 60's. Sketched in and through these lines of action are the abundant hopes of the poor countries. I was asked once "how can you find hope in all that misery?" We must learn to look at poverty through the eyes of the poor. You must feel the spirit of hope that overwhelms the illiterate peasant as he moves away from the fatalism of his rural village.
>
> • (5:30 p.m.)
>
> When his son even though, he leaves after the second grade, comes home and writes the family name on paper for the first time, the parents are the "victims of hope"—a whole new world develops before them. The rich countries for their own proper development must not only make contact with this hope but above all must develop a spirit of solidarity and communion to find a "raison d'être" for our affluency.

It is in this kind of setting that I feel the CYC could perform a useful role abroad. Admittedly, there are many serious problems in Canada. We have poverty here. We have examples of poor education. We have examples of a highly intense birthrate, and at the same time a dwindling death rate. Admittedly some of the past CYC volunteers would have made poor ambassadors for Canada to send abroad. This part of it though has been discussed in great detail previously. Admittedly too, at least one confidential report received by the company on probable activities abroad was written in inflammatory language, and suggested all kinds of interesting and almost frightening things. But I remind the House, those of us who are familiar with that report, especially the hon. member for Burnaby-Seymour (Mr. Perrault), realize that this document was for consideration only and never was the policy of the CYC, nor of the government of Canada as far as I have been able to learn.

But, sir, we Canadians have a real opportunity to do something useful in this area. Many developing countries speak either the French or the English language, and I think Canada finds itself in a unique position to provide a great deal more of this aid. We have trained people eager to help. Finally, we are not yet spending nearly enough to make any real dent in the problem of poverty in the developing countries.

In today's *Globe and Mail* there is a letter dealing with how we could order our priorities and do much in the foreign aid field. This

letter is by Escott Reid, former principal of Glendon College, and in it he says:

> Canada can do relatively little to assist in preventing war by maintaining armed forces. That game has become too expensive. If Canada were to double its present defence expenditures of 1.8 billion Canadian dollars a year, this would increase the total expenditures of the NATO countries by one and a half per cent. But if Canada were to increase its net expenditures on foreign aid to poor countries by 1.8 billion Canadian dollars a year, this would increase the total net expenditures of the wealthy white countries on foreign aid to poor countries by 33 per cent.
>
> Such an increase could not, of course, take place in one move. It might be reasonable to assume that if Canada were to decide to increase its foreign aid by this order of magnitude, say to 2 per cent of its GNP, the increase would be spread over six years.
>
> My hope is that Canada will decide so to increase its foreign aid. The annual rate of increase might be such that if our GNP should go up by an average of 7 per cent a year ... we would be in the fiscal year 1975-76 be spending about $2.4 billion (up from the present $300 million) on foreign aid. If our expenditures on defence were held at $1.8 billion a year the total expenditures of Canada on defence and foreign aid in the year 1975-76 would be $4.2 billion—about 3½ per cent of the GNP.
>
> Three and one half per cent of the GNP for defence and foreign aid is less than what Australia, Britain, France, Germany, the Netherlands, or Norway spent on defence and foreign aid in 1967 and all these countries have lower per capita GNPs than Canada.

This puts some perspective into our position, and shows how we in Canada, through perhaps the CYC volunteers and other techniques, could increase our aid, our responsibility to these developing countries. I would hope the minister would see fit to continue the work-abroad principle that exists within the original CYC bill. I believe he can do so without being any more disloyal to the broadcasting committee report than he was when calling for an appointed council, despite the fact that this was not part of the committees recommendations.

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): One word only, Mr. Speaker, to say that we cannot accept the amendment proposed by the hon. member. I could give several reasons to justify this refusal, but one will be more than enough.

We have overseas an organization of young people precisely to try and meet these very real needs of which the hon. member has spoken movingly and which provides young Canadians with the opportunity to work in under-developed countries.

This is a well known agency called Canadian University Service Overseas and it performs excellent work. We do not see why we should have overlapping by steering in that direction the activities of the Company of Young Canadians. Work sharing is an excellent principle for social action as well as for industry.

• (5:40 p.m.)

This is why we object to the amendment. I could put forward other objections, but this one seems quite sufficient to me. I like the hon. member's aims, but it seems to me that it is possible to attain them more effectively through an institution which has already an experience of several years abroad, which has done Canada proud and whose effectiveness is acknowledged. Therefore it would not be well advised to have in the same field two separate and overlapping institutions.

[*English*]

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, I too will be very brief, even more brief than the minister. I am happy to find myself on this occasion agreeing completely with what the minister said.

Some hon. Members: Hear, hear.

Mr. Nowlan: I know the minister has many other reasons he could enunciate and define, and there are many other reasons I could give why we could not support this amendment. Many of the objectives of the hon. member for Fraser Valley West (Mr. Rose) are idealistic, and he hopes to resolve the problems of the developing countries by some agency, any agency, and in this case the Company of Young Canadians. But it comes down to this, Mr. Speaker, if I may be short and to the point. In view of the experience we have had with the Company of Young Canadians, and in view of Mr. Pearson's original concept of the Company of Young Canadians, although even in the gestation period he decided that we should try the Company at home first before we exported it, I do not think it should engage in activities abroad.

I appreciate that this legislation is only a chapter in the history of the Company of Young Canadians, and that the question of the company will back before this Parliament or certainly it will appear before another Parliament. There have been problems with the Company of Young Canadians, and I believe we should make sure that it works at home before we start to export it abroad. In view of the experience with the Company's handling of some of our problems at home, I believe that the hon. member's objectives of

seeking to resolve problems such as poverty and disease abroad through the activities of the Company would not be met. In fact, there would be an adverse result. Until we get the Company to fulfil its objectives properly at home, we should not export it abroad. For that reason, the members of this party cannot support the amendment.

We believe this debate should come to a close so that the government may go on to discharge its responsibility of trying to work with this new agency, which is so far from the original concept of the Company that it is an entirely different vehicle. We have expressed our opinion on that, and we do not think we should take any more time to have the opinions of members canvassed upon it. Let the government and the Company get on with their work. Perhaps the Company will fulfil the expectations of the minister by contributing to the solution of problems at the community level in the way that Mr. Pearson intended. But, Mr. Speaker, Mr. Pearson certainly did not want or envisage the creature that we are creating today.

The Acting Speaker (Mr. Béchard): Is it the pleasure of the House to adopt the said motion? All those in favour of the motion will please say yea.

Some hon. Members: Yea.

The Acting Speaker (Mr. Béchard): All those opposed will please say nay.

Some hon. Members: Nay.

The Acting Speaker (Mr. Béchard): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mr. Béchard): Call in the members.

And the members having been called in:

• (5:50 p.m.)

Mr. Speaker: Order, please. The House will now proceed to the deferred division on motion No. 1 in relation to Bill C-176, an act to amend the Company of Young Canadians Act. The hon. member for Halifax-East Hants (Mr. McCleave) moved:

That Bill C-176, an Act to amend the Company of Young Canadians Act, be amended by adding in section 4(1) in clause 1, the words "of whom three shall be elected by volunteer-members and the remainder" after the word "members" in line 16 and deleting the word "who" in line 17.

[Mr. Nowlan.]

The House divided on motion No. 1 (Mr. McCleave) which was negatived on the following division:

YEAS

Messrs:

Aiken
Alexander
Asselin
Beaudoin
Bell
Benjamin
Bigg
Broadbent
Burton
Cadieu (Meadow Lake)
Coates
Comeau
Crouse
Danforth
Dionne
Douglas (Nanaimo-Cowichan-The Islands)
Dumont
Flemming
Forrestall
Fortin
Gauthier
Gilbert
Gleave
Godin
Gundlock
Hales
Harding
Horner
Howard (Skeena)
Knowles (Winnipeg North Centre)
Knowles (Norfolk-Haldimand)
Korchinski
Lambert (Bellechasse)
Laprise
La Salle
MacEwan
MacInnis (Mrs.)
MacLean
MacRae
McCleave
McIntosh
Mather
Matte
Mazankowski
Monteith
Muir (Cape Breton-The Sydneys)
Muir (Lisgar)
Nesbitt
Nielsen
Noble
Nowlan
Orlikow
Peters
Ritchie
Rodrigue
Rondeau
Rose
Ryan
Rynard
Saltsman
Schumacher
Skoberg
Skoreyko
Southam
Stewart (Marquette)
Tétrault
Thomas (Moncton)
Thomson (Battleford-Kindersley)
Valade
Winch
Yewchuk—71.

NAYS

Messrs:

Allmand
Anderson
Badanai
Barrett
Béchard
Benson
Blouin
Buchanan
Caccia
Cadieux (Labelle)
Cafik
Chappell
Chrétien
Clermont
Cobbe
Comtois
Côté (Richelieu)
Côté (Longueuil)
Cullen
Cyr
Davis
Deachman
Deakon
Duquet
Émard
Forest
Foster
Francis
Gendron
Gervais
Gibson
Givens
Goode
Greene
Guay (St. Boniface)
Guay (Lévis)
Haidasz
Hopkins
Hymmen
Jerome
Kaplan
Kierans

Lachance
Laing
(Vancouver South)
Langlois
Laniel
Leblanc (Laurier)
LeBlanc (Rimouski)
Legault
Lessard (LaSalle)
Lessard
(Lac-Saint-Jean)
Lind
Loiselle
Macdonald (Rosedale)
MacGuigan
McIlraith
McNulty
Mahoney
Major
Marceau
Marchand (Kamloops-
Cariboo)
Morison
Murphy
Noël
O'Connell
Olson
Orange
Otto
Pelletier
Pepin
Perrault
Pilon
Portelance
Reid
Richard
Richardson
Robinson
Rochon
Roy (Timmins)
Roy (Laval)
Sharp
Smith (Saint-Jean)
Stafford
Stanbury
St. Pierre
Sullivan
Thomas (Maisonneuve)
Tolmie
Trudeau
Trudel
Turner (London East)
Whelan
Whicher
Whiting—95.

Mr. Speaker: I declare the motion lost.

• (6:00 p.m.)

Mr. Speaker: The House will now take the deferred vote on motion No. 2. Mr. Rose moves, seconded by Mr. Knowles (Winnipeg North Centre):

That Bill C-176, to amend the Company of Young Canadians Act, be amended by deleting in section 4(1) in clause 1, all the words in lines 17 and 18 and substituting the following words:

"of whom three shall be elected by volunteer-members if the Council consists of seven or eight, but of whom four shall be elected by volunteer-members if the Council consists of nine members, the remainder to be appointed by the Governor in Council for such terms not exceeding".

The House divided on motion No. 2 (Mr. Rose) which was negatived on the following division:

YEAS

Messrs:

Aiken
Alexander
Asselin
Beaudoin
Bell
Benjamin
Bigg
Broadbent
Burton
Cadieu (Meadow Lake)
Coates
Comeau
Crouse
Danforth
Dionne
Douglas (Nanaimo-
Cowichan-The
Islands)
Dumont
Flemming
Forrestall
Fortin
Gauthier
Gilbert
Gleave
Godin
Gundlock
Hales
Harding
Horner
Howard (Skeena)
Knowles (Winnipeg
North Centre)
Knowles (Norfolk-
Haldimand)
Korchinski
Lambert (Bellechasse)
Laprise
La Salle
MacEwan
MacInnis (Mrs.)
MacLean
MacRae
McCleave
McIntosh
Mather
Matte
Mazankowski
Monteith
Muir (Cape Breton-
The Sydneys)
Muir (Lisgar)
Nesbitt
Nielsen
Noble
Nowlan
Orlikow
Peters
Ritchie
Rodrigue
Rondeau
Rose
Ryan
Rynard
Saltsman
Schumacher
Skoberg
Skoreyko
Southam
Stewart (Marquette)
Tétrault
Thomas (Moncton)
Thompson (Red Deer)
Thomson (Battleford-
Kindersley)
Valade
Winch
Yewchuk—72.

NAYS

Messrs:

Allmand
Anderson
Badanai
Barrett
Béchard
Benson
Blouin
Buchanan
Caccia
Cadieux (Labelle)
Cafik
Chappell
Chrétien
Clermont
Cobbe
Comtois
Côté (Richelieu)
Côté (Longueuil)
Cullen
Cyr
Davis
Deachman
Deakon
Duquet
Émard
Forest
Foster
Francis
Gendron
Gervais
Gibson
Givens
Goode
Gray
Greene
Guay
(St. Boniface)
Guay (Lévis)
Haidasz
Hopkins
Hymmen
Jerome
Kaplan
Kierans
Lachance
Laflamme
Laing
(Vancouver South)
Langlois
Laniel
Leblanc (Laurier)
LeBlanc (Rimouski)
Legault
Lessard (LaSalle)
Lessard
(Lac-Saint-Jean)
Lind
Loiselle
Macdonald (Rosedale)
MacGuigan
McIlraith
McNulty
Mahoney
Major
Marceau
Marchand (Kamloops-
Cariboo)
Morison
Murphy
Noël
O'Connell
Olson
Orange
Osler
Otto
Pelletier
Pepin
Perrault
Pilon
Portelance
Reid
Richard
Richardson
Robinson
Rochon
Roy (Timmins)
Roy (Laval)
Sharp
Smith (Saint-Jean)
Stafford
Stanbury
St. Pierre
Sullivan
Thomas (Maisonneuve)
Tolmie
Trudeau
Trudel
Turner (London East)
Watson
Whelan
Whicher
Whiting—98.

Division

Mr. Speaker: I declare the motion lost. The House will now take the deferred vote on motion No. 3. Mr. Rose moves, seconded by Mr. Knowles (Winnipeg North Centre):

That Bill C-176, to amend the Company of Young Canadians Act, be amended by deleting clause 5 therefrom.

The House divided on motion No. 3 (Mr. Rose) which was negatived on the following division:

YEAS

Messrs:

Benjamin
Broadbent
Burton
Douglas (Nanaimo-Cowichan-The Islands)
Gilbert
Gleave
Harding
Howard (Skeena)
Knowles (Winnipeg North Centre)
MacInnis (Mrs.)
Mather
Orlikow
Peters
Rose
Saltsman
Skoberg
Thomson (Battleford-Kindersley)—17.

NAYS

Messrs:

Aiken
Alexander
Allmand
Anderson
Asselin
Badanai
Barrett
Béchard
Bell
Benson
Bigg
Blouin
Buchanan
Caccia
Cadieu (Meadow Lake)
Cadieux (Labelle)
Cafik
Chappell
Chrétien
Clermont
Coates
Cobbe
Comeau
Comtois
Côté (Richelieu)
Côté (Longueuil)
Crouse
Cullen
Cyr
Danforth
Davis
Deachman
Deakon
Duquet
Émard
Flemming
Forest
Forrestall
Foster
Francis
Gendron
Gervais
Gibson
Givens
Goode
Gray
Greene
Guay (St. Boniface)
Guay (Lévis)
Gundlock
Haidasz
Hales
Hopkins
Horner
Hymmen
Jerome
Kaplan
Kierans
Knowles (Norfolk-Haldimand)
Korchinski
Lachance
Laflamme
Laing (Vancouver South)
Langlois
Laniel
La Salle
Leblanc (Laurier)
LeBlanc (Rimouski)
Legault
Lessard (LaSalle)
Lessard (Lac-Saint-Jean)
Lind
Loiselle
Macdonald (Rosedale)
MacEwan
MacGuigan
MacLean
MacRae
McCleave
McIlraith
McIntosh
McNulty
Mahoney
Major
Marceau
Marchand (Kamloops-Cariboo)
Mazankowski
Monteith
Morison
Muir (Cape Breton-The Sydneys)
Muir (Lisgar)
Murphy
Nesbitt
Nielsen
Noble
Noël
Nowlan
O'Connell
Olson
Orange
Osler
Otto
Pelletier
Pepin
Perrault
Pilon
Portelance
Reid
Richard
Richardson
Ritchie
Robinson
Rochon
Roy (Timmins)
Roy (Laval)
Ryan
Rynard
Schumacher
Sharp
Skoreyko
Smith (Saint-Jean)
Southam
Stafford
Stanbury
Stewart (Marquette)
St. Pierre
Sullivan
Thomas (Maisonneuve)
Thomas (Moncton)
Thompson (Red Deer)
Tolmie
Trudeau
Trudel
Turner (London East)
Valade
Watson
Whelan
Whicher
Whiting
Winch
Yewchuk—141.

• (6:10 p.m.)

Mr. Speaker: I declare the motion lost.

Hon. Gérard Pelletier (Secretary of State) moved that Bill C-176, to amend the Company of Young Canadians Act, as reported (with amendments) from the Standing Committee on Broadcasting, Films and Assistance to the Arts, be concurred in.

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

Some hon. Members: On division.

Motion agreed to.

Mr. Speaker: When shall the bill be read the third time?

Mr. Knowles (Winnipeg North Centre): By leave, now.

Mr. Pelletier moved that Bill C-176 be read the third time and do pass.

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

Some hon. Members: On division.

Motion agreed to, bill read the third time and passed.

Mr. Speaker: It being six o'clock I do now leave the chair until eight o'clock when the

House will consider a motion to be moved by the hon. member for Peace River (Mr. Baldwin) pursuant to Standing Order 26.

It being 14 minutes after six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

MOTION TO ADJOURN UNDER S.O. 26

POST OFFICE

MONTREAL POSTAL DISPUTE

Mr. Deputy Speaker: Order. Pursuant to Standing Order 26, the hon. member for Peace River (Mr. Baldwin), seconded by the hon. member for Sainte-Marie (Mr. Valade), moves:

That this House do now adjourn.

[*Translation*]

Mr. Georges Valade (Sainte-Marie): Mr. Speaker, I will start off by saying how sorry we are that members of the press gallery, interpreters and all personnel who normally should have a free evening tonight must be here in the House so that we may deal with a matter of major importance.

Tonight's debate could certainly have been avoided if the Postmaster General and Minister of Communications (Mr. Kierans) had performed his duties more adequately. As the post office conflict is constantly worsening and the Postmaster General arrogantly denies the House information as to the present situation in Montreal, we had no alternative but to demand this debate.

I know the Postmaster General would have preferred that there be no debate. We would have preferred to get other information which would have enabled us to understand that within the Post Office Department there was one man whose capabilities were equal to his responsibilities. Unfortunately, the recent events have shown in an undeniable way that we, members of Parliament, who speak on behalf of the people, have not been able to get from the minister any information of such a nature that would allow us to inform the public and which would enable us to make suggestions in order to settle this dispute.

Mr. Speaker, I feel that facing us there is a shadow government, because as soon as an important issue is before the House, the ministers disappear in a mysterious fashion.

Montreal Postal Strike

Recently, the Minister of Indian Affairs and Northern Development (Mr. Chrétien), the Minister of Agriculture (Mr. Olson) and these last few weeks, the Postmaster General and Minister of Communications (Mr. Kierans) were not to be found here when matters under their jurisdiction come before the House.

Mr. Gérald Laniel (Beauharnois): Mr. Speaker, the minister is in Montreal to try to solve the problems.

Mr. Valade: We should have preferred, Mr. Speaker, that—

Mr. Laniel: Mr. Speaker, it is in Montreal that he can solve problems, not by staying here to answer the often stupid questions put by some members.

Mr. Valade: Mr. Speaker, I should like to answer back the hon. for Beauharnois (Mr. Laniel) who has just made a stupid remark but I am not here to waste my time taking up such stupid and foolish comments.

The Postmaster General has been beating about the bush for 15 days while he is deep in an explosive situation. He has often refused to give explanations to the House and to supply information. Sometimes the minister was in the building but was not present in the House of Commons. He thus avoided to answer for his administration.

Once again Canada is going through a major crisis in an essential sector of our economy, namely the postal service. For the second time, in so many years, and under the direction of the same minister, the postal service is about to become a national issue, while the minister looks on unperturbed, and even secretly pleased.

Furthermore, as the minister has obstinately—not to say stupidly—refused to reply to hon. members' questions, during the oral question period, in order to inform the House about the conflict, he behaved in an irresponsible manner. In view of his duties, he should act differently. Such an attitude shows that the Postmaster General has lost all sense of the participatory democracy which was championed by the Prime Minister (Mr. Trudeau) and the Liberal party at the last federal election. Most of all, the minister has shown that he is incapable of coming to terms with the employees of his department.

It is obvious, as time goes by, that the taxpayers and the postal workers have lost the confidence they had shown in the minis-

ter. It is also becoming more and more obvious that the minister has no other alternative, in the present situation, but to resign.

Some hon. Members: Oh, oh!

Mr. Valade: Mr. Speaker, the government members who usually keep very silent when it comes to—

Mr. Gérard Loiselle (Saint-Henri): You will find it is the other way around in due time.

Mr. Valade: Has the hon. member some remarks to make? If he wants to take part in the debate, I wish to remind the hon. member for LaSalle or Saint-Henri that he has every opportunity to do so, because it is a very important matter. Being a member for Montreal area riding, which is particularly affected by the postal strike going on at the moment, he should have been the first to ask his government—

Mr. Lessard: Mr. Speaker, on a point of order.

Mr. Deputy Speaker: Order. The hon. member for LaSalle on a point of order.

Mr. Valade: —to take appropriate steps to settle this dispute.

Mr. H.-Pit Lessard (LaSalle): Mr. Speaker, I should like to ask the hon. member for Sainte-Marie (Mr. Valade) to indicate by the name of his constituency the hon. member who made a remark. The hon. member to whom he was referring is not the hon. member for LaSalle. I would like him to make the correction.

Mr. Valade: Mr. Speaker, it does not matter very much. I must say that the hon. member who rose is not the one I meant; I had in mind an hon. member who has been sitting here for over 12 years, yet nobody seems to know which constituency he represents, because of his stolid silence, his carelessness and the incapacity he has demonstrated since he came to the house.

Mr. Speaker, we are here to discuss an important problem and try to find a solution. If the Postmaster General would condescend to call to order that bunch of unruly members, I believe that the debate would prove more constructive than the one in which some are trying to involve me.

[Mr. Valade.]

• (8:10 p.m.)

We are now faced with a crucial problem, otherwise this debate would not be taking place this evening. This is a serious problem to the extent that if in the near future, the entire postal system is disrupted on account of the slowdown or the work-to-rule now carried on in Montreal, we might be confronted with a national dispute.

Basically, it is not a simple problem, but the minister does not seem to understand anything. It is a conflict in which 450 union members are threatened to lose their job in a couple of months, but this does not seem to concern the Liberal members from Montreal.

In fact, the employees are only asking that the government take measures to ensure that the tenderers or sub-contractors, whatever they are called, recognize the only bargaining unit which represents them. Since only one contractor provided the postal service in Montreal and the area until now, the minister, in his doubtful wisdom, decided to distribute the postal service among five or six separate contracts.

The employees are threatened because their bargaining unit will not be recognized by the contractors. If this happens, they will no longer have any job security.

Those people are also threatened with losing their seniority. Some employees have held their jobs for over 20 years but with a single stroke of the pen the minister recently threatened their security.

Have we reached the point in this society the Prime Minister calls just, where people are no longer entitled to survival? All those employees ask is for the Postmaster General to assure them that they will not be laid off in a month.

Mr. Speaker, I fail to see why the minister did not take a clearer stand in that conflict. He could have benefitted from past experience. We remember the strike that broke out when the mail was delivered by Rod Service Ltd, which also knew of the experience of the former contractor, a certain Sénécal whose contract was transferred merely by verbal agreement between the minister and the G. Lapalme Inc. to a new contractor who was forced to respect those contracts, that bargaining unit.

Thanks to that bargaining unit, for which they paid dearly through four years of work and efforts, the employees managed to obtain decent salaries, normal fringe benefits and

finally, security of employment, as long as they could work.

Mr. Speaker, the minister has done nothing. He merely said: I am not an employer; I cannot intervene in the conflict since, as minister, it does not behove me to deal with the employees. To my mind, the minister is merely bringing out the hypocrisy inherent in this supposedly just society.

Mr. Speaker, the minister could intervene and he still can do it if he wants, since in the contracts he grants, he himself determines the working conditions such as the minimum wages paid to the people working for the new contractors. And, when the minister is forced to protect the employees and union members by setting up a bargaining unit, he refuses to commit himself and he tries, by devious means, to beg off and to shun his responsibilities.

If the minister needs additional arguments we might be able to oblige him. When he says that he cannot provide a bargaining unit for many employers, I think that he could refer to the Canadian Labour Code. The minister does not know it because he has never been close to the workers but has always represented higher interests. I am not blaming him for it, it is his privilege. But in the House it is his responsiblity, as a minister, to deal with workers and union members. The minister should know about the mechanisms capable of preventing such conflicts.

The minister could resort to the Canadian Labour Code, which permits but one bargaining unit among a group of employers. Besides, this is done in the Montreal area, in the province of Quebec. In fact, there are bargaining units on building sites and the members of all the trade associations have to go from one place to another and belong to a single bargaining unit. And those units have to deal with numerous contractors.

Mr. Speaker, the minister is too ready to find an excuse for his inaction. He could intervene but he refuses to do so and that is why the union members accuse him of wanting to destroy the bargaining unit. I do not accuse him myself, but I wonder whether his refusal to reply is not an indication of the truthfulness of their allegation.

It is up to the minister to state clearly his position in this regard. Why does he refuse to relieve the workers from their anxiety as to their future employment? They want to know if they will be unemployed tomorrow and if, like thousands of others, they will have to swell the already great number of unemployed in Canada, especially in Montreal and in the other areas of Quebec.

• (8:20 p.m.)

Mr. Speaker, if the Postmaster General was really serious and sincere, he would have asked immediately his colleague the Minister of Labour (Mr. Mackasey) to act as a mediator in this conflict. Apparently, in view of the questions that we put to him recently, he would be ready to do it. The member for Notre-Dame-de-Grâce (Mr. Allmand) asked recently the following question in the House: Is the minister ready to offer his services as a negotiator in this conflict? The minister replied then that he was ready to do so. Then, as a supplementary question I asked the minister if his services had been required. The Minister of Labour did not answer because we know as well as the ministers that the Postmaster General has not yet asked his colleague the Minister of Labour to intervene.

Why this silence, this indifference and this arrogance towards the working class? The workers are only asking for one thing: justice, the right to work and security of employment.

There are mechanisms which could be used. When I look at what is going on here, I wonder what is being done by the Minister of Regional Economic Expansion (Mr. Marchand)—and I regret that he is not in his seat—and the Secretary of State (Mr. Pelletier), two men who, in days gone by, in the labour world, used to write—before they were elected to the house—that they were the great defenders of the working class, of the downtrodden, of the proletariat and of what you will. The Minister of Regional Economic Expansion, a former president of the C.N.T.U., should make a statement about this conflict and demand that the Minister of Labour (Mr. Mackasey) come and solve it because he knows the mechanisms of negotiation well. He could certainly be a good adviser to the Postmaster General. In fact, those men who, in the past, achieved a reputation as great defenders of the workers are mute as fish. They do not say much.

We are confronted here with a serious conflict requiring immediate measures. We want and have to know what is the position of the Postmaster General and Minister of Communications and what he suggests to settle this dispute.

The minister has left us wondering whether the strike was illegal or not. It may be. He never gave us any information in this respect.

If the minister is aware of what he is saying, he will come and prove it to us but until then, may I tell him that under the contract binding the employees, 20 of them can stay away on union business without infringing their labour contract.

Mr. Speaker, we all deplore the vandalistic acts and the breaches of property which may have happened during this troubled period. Sometimes, we do understand the workers; we do not excuse them nor do we encourage them; we simply ask them to keep a cool head in spite of the minister's indifference. Still, Mr. Speaker, this conflict is a cause of friction, of anxiety and concern for those who only ask to make a decent living. The Postmaster General denies them this right, this inalienable right, the right to work which the Prime Minister (Mr. Trudeau) even wanted to entrench in the preamble of a new constitution.

I conclude my remarks, Mr. Speaker, since my time is running out. Before resuming my seat, however, I want to be clear and practical. To get down to brass tacks, because we have to, I believe we still have a choice of six solutions.

First of all, the government could assume temporarily the responsibility for distributing the mail.

Secondly, the government could review the contracts now being negotiated so that the future employers will recognize the bargaining unit.

Thirdly, it could assure present workers that they will not lose their job at the end of March.

Fourthly, it could avoid unnecessary threats and provocations in official statements.

Fifthly, the minister could show a greater sense of justice and defend the right to work for everybody, as proclaimed by the Prime Minister when he talks about the establishment of a just society.

Sixthly, the minister should ask immediately his colleague, the Minister of Labour, to intervene in this conflict. In my opinion, the best solution is that the Postmaster General should simply resign, to every body's satisfaction.

[*English*]

Mr. J. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I shall be brief. I shall begin my comments with a couple of observations about the factual situation before I become involved in some areas of controversy. As I see it, the following are the facts.

There are now 459 drivers in the city of Montreal, employees of G. Lapalme Inc. and members of the CNTU, who are about to lose their jobs. In some cases these men have worked for up to 20 years in this employment. But as of March 31 they will be on the street.

How did this come about? It happened that the postal department decided for some reason, perhaps a good one, to split the region of Montreal into five new sectors in terms of the particular service these drivers were performing. As a result, instead of there being one contract for the work being done, tenders were sent out for five. It so happened that the firm for which these men worked did not submit a tender. The result, of course, is that there is no way these men can keep their jobs and 459 men, plus their wives and children, will suffer. I believe this fact should be kept very closely in mind.

The second fact is that the destruction of a trade union local is taking place. When we consider what the trade union movement has meant to the workers in this country and what it will mean to the future on our workers, we appreciate the significance of this fact. Perhaps the number is small in respect of the workers directly involved: it is only one trade union local; it is not a national trade union that is being squashed. However, in terms of the potential national consequences, I believe the significance of these facts transcends in importance the attitude of this government toward the working people.

It seems to me there are some very important questions which need to be answered by the minister. Why did not the postal authorities, for example, ensure that the jobs of these workers—these people who have worked for up to 20 years and who have been workers in good standing—would be preserved even if a particular employer changed? Job preservation could have been made a condition of the calling of tenders; some effort could have been made to ensure it. But no report I have read has suggested, nor has any person to whom I have spoken about this matter, that any effort was made by the postal authorities to have these workers transferred to other firms if other firms were to end up doing the job.

Similarly, as was suggested by the hon. member who preceded me, why was an effort not made to ensure that the CNTU would still be recognized as the bargaining agent for these workers? This again, as has been indicated, could have been done by making

the CNTU, or one union local if you like, the bargaining agent for a number of firms. No precedent would have been set by this kind of action.

If it had been concerned about this question, the Post Office Department could have preserved the jobs of the workers involved for their well-being and that of their families. It could also have preserved an institution which is very important to these workers—the trade union local with which they had been associated. It seems to me that the opposite kinds of considerations have taken place, and it is hard to escape the conclusion that for whatever reason a deliberate attempt has been made to smash a trade union local. I think the minister has to answer for this action.

• (8:30 p.m.)

Quite beyond the particular question, it seems to me that this situation does suggest something about the government's attitude toward workers. How do they feel about the working people in this country, particularly about the people they employ themselves? A short while ago I asked the Prime Minister (Mr. Trudeau) in this House whether he was considering taking action in terms of law which would make it mandatory for an employer to give substantial notice to an employee before releasing him from his work.

As is frequently the case, the Prime Minister said this was a provincial matter. For once the Prime Minister is absolutely right. Most areas of labour legislation are within provincial domain. However, there is one very important area which is not within the provincial domain; that is the area of federal employees. It seems to me the Prime Minister could have indicated at that time—as could the Postmaster General (Mr. Kierans) and other ministers of the Crown—in the administration of the government and its departments a humane and progressive attitude toward the working people of this country. The government has the constitutional authority to do that.

The federal government is in a position to be a pacesetter in terms of labour legislation and attitudes towards labour in this country. Instead, what do we get? There are some exceptions, but the general pattern of this government—and I must say it seems to be the general pattern of this minister—is to put all the emphasis on technocratic market efficiency at the expense, very often, of working people in this country.

Again with particular reference to this minister, he is a man whose writings some time ago I admired because they suggested that at least here was one cabinet minister who knew something about modern social theory, who knew something about the non-technocratic aspects of existence and who seemed, as my colleague suggests, to talk a good fight—at least prior to the leadership convention of the Liberal Party. Had I been a delegate at that convention I suspect I would have voted for the minister. However, I must say that his performance in office, to understate the case by about 100 per cent, has not entirely measured up to my expectations because he, of all ministers, has seemed to revel in a complete preoccupation with market efficiency. I suspect that somewhere at the heart of this dispute we will find this was the big question.

We will get this argument from the minister: We had to change our pocedures in Montreal. We had to change the employer that was doing the trucking because this would have resulted in a more efficient postal service. But I suggest, Mr. Speaker, that every serious, empirical study done in the United States and in Western Europe in the last ten years suggests that this kind of approach reaches the kind of conclusion we have here. It does not reach the conclusion that we have a more efficient enterprise, more productive and more contented workers. In fact we get just the opposite—discontent, inefficiency and wildcat strikes.

Every study in fact indicates—there have been a number in the past few years—that where working people are given serious consideration, where they are taken into the power structure in running enterprises, we get two very important by-products. We get greater, not less, efficiency by taking the worker more seriously. By treating him more as a human being we increase productivity. We also do this by giving him more power. All the evidence points to this fact.

The second and more important result so far as I am concerned is that you get happier workers, more contented human beings. I suggest to the minister that if he is really interested in efficiency he will begin to take the worker more seriously as a human being. Quite beyond that, I would like him to suggest to his colleagues in the cabinet, and particularly the Minister of Labour (Mr. Mackasey), that the federal government begin to make basic changes in its management attitudes and in legislation as it affects federal employees. There is no better place to start

this kind of activity than in the postal service of this country, and no better time to adopt a change in attitude than during this current crisis in Montreal.

[*Translation*]

Mr. André Fortin (Lotbinière): Mr. Speaker, again we are faced with a Post Office problem. It is a pity, in a world where communications are increasingly important, that the department concerned is continually having this problem which, in fact, has never been thoroughly dealt with.

The department's policy is greatly to blame for the situation. All the solutions brought forward by the present Postmaster General and Minister of Communications (Mr. Kierans) have been superficial and short-term ones. The department is incapable of preparing a long-term policy. There is no dialogue, no regular contact with employees, no true spirit of conciliation and consultation. The minister's attitudes are always those of a dictator, designed to enforce his decisions. Such an attitude is ridiculous, when we remember the minister's assertion that increased postal rates would bring about an improved postal service. There is the record of this administration. It costs us more to get less service.

• (8:40 p.m.)

The minister pleads his case by saying that the conflict is illegal. Having said that, he stays put, he does not do anything, he does not try to meet—except at the very last minute—the union leaders.

Therefore, it is not surprising to find that the whole thing is a failure and that the dispute may reach the national level.

In the report issued by the firm of Kates, Peat and Marwich, the judgments were harsh. The minister remembers that. Indeed, as far as the public needs are concerned, as well as postal rates, manpower management, labour relations, working conditions, equipment, executive training, the report of this firm was particularly severe.

Unfortunately, this department has always developed a short-term policy. The Postmaster General, believe it or not, is the eighth minister in office since 1962. Thus, it is not surprising to note that, from one minister to the next, the policy is always a superficial and short-term one.

The least that we can ask from the Postmaster General is to prove that the recent rate increases are justified, due to the present situation. People are tired to bear the cost of strikes, even though they have no choice.

[Mr. Broadbent.]

When the communication phenomenon as a whole is affected, the situation goes much beyond the innocuous economic and administrative purpose.

We know that the Postmaster General and Minister of Communications has always been known for his letters. As this is precisely the question under discussion tonight I should like to refer you to the official report of the House for February 17, 1970. It contains a famous letter which will make him go down in history for his spirit of conciliation and dialogue. In fact, the minister in this letter describes his approach, that is that he has none.

This letter is dated February 17, 1970 and is addressed to Mr. Raymond Parent, Secretary-General of the Confederation of National Trade Unions. It reads as follows, and I quote:

> Dear Mr. Parent:
>
> Since the mail transportation situation in Montreal has become intolerable, I wish to state clearly the position of the Post Office Department and the Government.

Mr. Speaker, when the minister wrote those words, the dispute had already lasted for over 16 days, but that is not important. The minister finally made up his mind to speak, and you will note the conciliatory tone he uses, his ability in collective bargaining with regard to labour problems.

I quote further:

> The resulting disruption, violence and intimidation have hampered enormously the competitive capacity of industry and commerce in Montreal.

Later on we find the following, and I quote:

> I will not list the incidents of violence, sabotage, and destruction of government property which have occurred during the last two weeks. You are as aware of them as I am. I will simply say that the mail is not being delivered.

Mr. Speaker, it will thus have taken 16 days for the minister to discover that the mail is not delivered, that violence occurs, and so on.

If you are looking for some indication of the employer's offer in the letter, you will not find any. Supposing that the employer, as such, recognizes that it is not the responsibility of the Postmaster General and Minister of Communications to settle the dispute, but of the contractor, one could wonder about the position taken by the Post Office and Communications Departments concerning the conflict.

The minister concluded his letter by stating three solutions, but nothing further was done. His first solution was as follows and I quote:

> How can we assure the best service for the people of Montreal between now and March 31?

This first basic question asked by the minister in his letter is once again a short-term policy. He finds it essential to know how the mail will be delivered until March 31. He is not worried about giving an efficient postal service, but about what will happen between now and March 31.

However, the employees wish to know what will happen not only between now and March 31, but also after that date.

Here is the second question of the minister:

> Secondly, how can we ensure the continued employment of the greatest number of present employees, with priority being given to the 162 men with more than five years service; thirdly, what are the best arrangements that can be made with Manpower to admit the remainder to paid retraining programs.

I eliminate the third one because the list of those who would like to benefit from the retraining programs is already very long. Let us examine the second question.

When I first read it, it seemed to have some merit. The means of ensuring job security at least to the 162 employees who had five years experience or more appeared to be worth considering. So I dug up the files and discovered something which I should like to bring to the minister's attention—a CNTU press release dated February 5, 1969. Obviously, the release was given to the newspapers and the minister and all members must have received a copy. I think it would be worthwhile to read it tonight, during this emergency debate. When I read it, I realized that I was right when I claimed that it was a short-term policy and that the second proposition of the government was unacceptable. The press release deals with the conflict with Rod Service Ltd. and reads as follows:

> After that, the Post Office Department informed the union leaders that it would provide these services on its own, but it also called for tenders from three contractors, including Rod Service Ltd., in order to let out new contracts for these services.

Now, Mr. Speaker, if we make a comparison, we find this is what is happening now in the dispute relating to Lapalme Inc.

The communique continues:

> One thing is certain: the net result of all these operations is that 111 dismissals have been announced yesterday by the company to the union, 38 of which concerned the special delivery service and 12 the mobile delivery.

During the dispute which took place in Montreal in August 1968, 111 dismissals were announced to the union. The union was caught off guard. They were ready for it in a way but not to the extent of fighting against a minister who disregards consultations and negotiations. You will remember the famous crisis of August 1968.

These same workers were then threatened to lose their jobs. They come up this year against the same problem. The quotation continues:

> So, the wheel is beginning to turn:
> —says the CNTU. And it was right because it had anticipated that the same release could be used again this year.

• (8:50 p.m.)

On February 5th, the CNTU stated, and I quote:

> —111 employees lose their jobs, tomorrow others will also lose them. When will the 420 members of the union be out on the street?

That is the question the CNTU asked on February 5th in its press release; today we are up against the problem of knowing what to do with those employees.

Mr. Speaker, I should not overstay my leave but it seems to me that today's problem could have been foreseen. In spite of my limited experience in that field, it seems to me that if the Postmaster General had been more conciliating, had he worked harder at negotiations, if he had taken the trouble of going out to the parties instead of convening them to his office, had he gone out to meet the employees or at least the union leaders in short, had he taken into account the representations made in 1969, he might perhaps understand the drama now taking place in Montreal.

Mr. Speaker, it may be that government members will accuse us of wanting to play politics with this question, but by putting ourselves in the shoes of those employees who are threatened with being laid off, it is obvious to us that the department has a short-term policy with regard to personnel management, personnel planning, and that the conflict could have been avoided.

That does not necessarily mean that the minister is solely to blame, but the fact remains that if the minister is honest, he will have to admit his failings, because he is mainly responsible for those lay-offs.

I suggest this conflict will increase more and more in scope in spite of the extraordinary measures the minister may take, espe-

cially if they are dictatorial measures, that do not rely on the co-operation of union leaders, on negotiation and consultation, and next year, we will have to cope with a new problem, even if the minister says it will not be next year, but five years from now.

It seems to me the communications field is of such importance that we should act seriously and try to prevent situations such as this one.

That we have known eight Postmasters General since 1962 seems to me significant enough. That is an indication that there is no long-term policy in that department, but a short-sighted one which may serve the ministers' interests while they hold office but surely does not serve the people's interests. Therefore, I invite the government members—without any political ambition but on the contrary very sincerely—to read the Kates, Peat and Marwick report and they will see that my criticisms are but a repetition of that report.

Before concluding, I should like to point out that the most serious thing I have against the minister is that he has been saying for several days that the Department of Labour and the Department of Manpower and Immigration are ready to intervene and that besides, they have already taken steps.

When the Postmaster General has the floor, I should like him to clearly state the position of the government and the steps he intends to take to settle this conflict because dictatorial measures are out of the question. It would be desirable to know what bargaining measures he intends to use to settle the conflict in Montreal, not only for this year but also for the coming years, while providing the employees with job security.

I should like the minister to tell us what progress he has made in his discussions with his colleagues in the cabinet so that his department can show that it does serve the people and that it is not simply dedicated to ensure the good name of the minister.

Hon. Martial Asselin (Charlevoix): Mr. Speaker, on a point of order.

I hope that if the Postmaster General and Minister of Communications (Mr. Kierans) speaks, he will not close the debate.

Mr. Kierans: No, not at all.

Some hon. Members: No, no.

Mr. Kierans: Hon. members will have the opportunity to be heard.

[Mr. Fortin.]

[*English*]

Mr. Speaker, I should like to make one or two things clear at the outset. Some hon. members opposite have called for the intervention of my colleagues the Minister of Labour (Mr. Mackasey), the Minister of Regional Economic Expansion (Mr. Marchand) and the Minister of Manpower and Immigration (Mr. MacEachen). I simply say to hon. members that if they are seeking to divide the government, this is a government decision. This decision has been taken by all members of the government, and all members of the government are solidly behind it. I, myself, have suggested on various occasions to the secretary general of the CNTU that he contact my colleagues.

We are unanimous on another point. I refer again to the ministers who have been mentioned, the Minister of Labour, the Minister of Regional Economic Expansion and the Minister of Manpower and Immigration. They are completely unanimous on this point: We will begin to talk when the violence stops.

Some hon. Members: Hear, hear!

Mr. Kierans: One hon. member has spoken of the destruction of a union. We are speaking of the annual destruction of mail service to 2.5 million people for no other purpose than to bludgeon and blackmail the government of Canada, through its contracts, into prices and tariffs that are beyond all reason. This has gone in since 1954, and it is not going on any longer. The Minister of Labour, the Minister of Regional Economic Expansion and the Minister of Manpower and Immigration, as well as all members of the government, are determined on this. We are not destroying any union. The union is destroying itself.

The union is now in a position of having led its members in such a way that they can no longer find an employer. Last year Rod Services said it could no longer deal with the union and carry on the service; it asked to be relieved. The present activities and violence of the union and its influence on its members are driving its present employer into a position where he will either ask to be relieved of his contract or go bankrupt. So once again these men will be without an employer. And what does the union suggest to me, as minister? They suggest, as they suggested last March: You create for us a new employer, a Crown corporation. It could take us all in, whether you need us all or not. There are 455 of us now; last March there were 397.

[*Translation*]

—at that time the real problem was precisely surplus employees and a cost of production which was over a third greater than in any other city in Canada.

[*English*]

I told them we are not going to create a Crown corporation for one city. If we create one for Montreal, why should we not create one for Toronto, Rimouski, Sept Iles, Vancouver, Rainy River—

An hon. Member: Or Winnipeg.

Mr. Kierans: —or Winnipeg.

Mr. Asselin: What about the CSN; what do they say?

Mr. Kierans: The CSN is not interested in this. The CSN is interested in the CSN.

This union says, "Administer and regulate the affairs of this company." I say this is not our business. We hand out 10,000 contracts and we expect the people to whom we have given the contracts in open competition to do a job for us. If they do not, we change them.

Mr. Valade: Will the minister permit a question?

Mr. Kierans: At the end of my remarks, if the hon. member does not mind. Now the union comes to me and says, "Find us another employer. You found us Lapalme last year. Get us another contractor." I say it is too late. We have already handed out contracts. We have signed the contracts and we will honour them.

Some hon. Members: Hear, hear!

Mr. Kierans: The latest proposal is—I say this for those who are skilled in union affairs—that I should tell the five successful contractors, "You will all join the CSN or your contracts will be annulled." What kind of bargaining is that?

An hon. Member: You should have done it originally.

Mr. Kierans: Wait a minute. That was their problem. They were asleep for five months and woke up only when there was a strike. I asked them, "Why should I tell these five contractors anything?"

An hon. Member: Is that how the opposition would choose a union?

Mr. Kierans: One of the contractors already has a union, that union being the Teamsters. What will we tell the contractor who presently is dealing with the Teamsters? Will we tell him that unless he changes to the CSN, the contract will be null and void? Justify that to the Teamsters!

[*Translation*]

The guys from the CNTU do not need me any more. They are men and not children.

[*English*]

When the new contracts start on April 1, that is their problem. They can go out, as the Teamsters can, and bargain with the new contractors. They may be recognized or they may not. But they will not be under pressure from the government of Canada.

Some hon. Members: Hear, hear!

• (9:00 p.m.)

Mr. Valade: That's an easy way out.

Mr. Kierans: I assume the hon. member has a better solution. We have never heard it. It is quite obvious, Mr. Speaker—indeed, some speakers this evening have admitted it—that they have very little knowledge of what is going on in Montreal. I wish to give a brief resumé of the facts. There have been five breakdowns of service in the last year. Only the first of these was legal. Last year's illegal disruption, slow-down, violence, chain gangs, goons and threats lasted 32 days. We have had 2½ weeks of disruption so far this year. There were others previous to that; it has worked in the past. What has now happened is that the costs in Montreal are 25 per cent higher than in other comparable cities. Montreal has been held by the throat by a temporary arrangement each year. It is to be expected that sooner or later the government or the people of Montreal will crack. However, this year the government is not going to crack; and if the people of Montreal understand the situation, they are not going to crack either.

Mr. Asselin: They are going to suffer.

Mr. Kierans: What is responsible for the suffering? The hourly rates. Should we submit to the blackmail, as a Conservative government would?

Some hon. Members: Hear, hear!

Mr. Kierans: The total cost in Montreal last year—

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

The Acting Speaker (Mr. Béchard): Order.

Mr. Kierans: The Conservative government gave them everything they wanted.

[*Translation*]

The Acting Speaker (Mr. Béchard): Order, please. The hon. member for Sainte-Marie on a point of order.

[*English*]

Mr. Valade: I will make my point of order in English because I do not want any ambiguity. I ask the minister, in view of his statements about violence and threats—

The Acting Speaker (Mr. Béchard): Order.

Mr. Valade: That is my point of order.

[*Translation*]

The Acting Speaker (Mr. Béchard): The hon. member asked the minister whether he could ask him a question and he is rising on a point of order.

I would like to know whether he is rising on a point of order or whether he wants to direct a question to the minister.

Mr. Georges Valade (Sainte-Marie): Mr. Speaker I rise on a point of order because in the course of his speech the minister mentioned threats and violence. He seems to be accusing all the employees involved in the strike. I feel he should be specific.

The Acting Speaker (Mr. Béchard): Order. That is not a point of order.

Mr. Kierans: I accept the hon. member's point. A small group of individuals—a gang—within the union is responsible for these things and leads everybody. The leader of the group called the Post Office the pork barrel of politics.

I asked him to be more explicit in his comments and his criticisms. If there is something in the garbage can, let him raise the cover.

That individual has even said that last year, between 7,000 and 8,000 parcels had been stolen during the Christmas season, and that he himself had engaged in this practice, as it was the common thing to do. Those are the undesirable ones!

[*English*]

For 14 years, Mr. Speaker, contracts have been given in Montreal without public tender. As I said in my letter to Mr. Parent, I am not blaming anyone—the management, the union or the government. I am simply stating the facts. I want to point out that the opposition must also share the blame. One newspaper article states that the mail situation in Montreal is a jungle. During the six years of Conservative government a tender was never asked for; they gave in on every occasion.

Mr. Valade: You did it for 25 years before that.

Mr. Kierans: Last year after Rod Services was no longer able to continue, they lost their employer.

Mr. Sulatycky: You realize they never had a strike either.

Mr. Kierans: You can buy your way out of anything, can't you? At that time I offered to make clear exactly how far I was willing to go. I offered to take into the department those drivers that we needed and to run the service in Montreal ourselves. I went further than that; I said that those employees whom we could not take into the department—because we did not need all 397 of them—would be offered part-time work until such time as we were able to hire them full time. If there were some left, we offered them the possibility—

[*Translation*]

Mr. Kierans: —the possibility of retraining themselves so as to be able to fill other positions. This rather generous offer has been refused.

[*English*]

Why was it refused? It was refused for two reasons. The first reason was if they came into the department I could not recognize the CSN because we have our own unions in the public service. The second reason was that if we did take them, we could not give them recognition of their seniority. This was not because we would or would not have wanted to do that. I have no opinion on that matter; it is a union problem. What is quite clear is that the CSN is not interested in their members, but in themselves.

Some hon. Members: Hear, hear!

Mr. Kierans: Last year they lost their employer and this year they are again losing their employer.

Mr. Valade: That is a misrepresentation of facts.

Mr. Kierans: He took a deliberate choice. He wanted no part of this. He took that choice despite the urging of the Post Office.

He decided not to submit any bids. In effect he said, "I cannot manage my own affairs; I cannot hire my people; I cannot fire them; I cannot appoint supervisors or run my own business." This is why he did not submit a tender. Due to the fact he did not bid, this group again lost its employer.

What this strike is all about is this: Can another employer be found that will permit them to operate, recognize their status and give a legal existence to something that has in fact disappeared twice within less than a year?

[*Translation*]

I want to quote a letter from Mr. Cormier, Montreal postmaster, to Mr. Lapalme, dated September 25th, in which he prompted G. Lapalme Inc. to send in a tender. Here is an extract:

Your experience in local trucking and your knowledge of postal operations put you, naturally, in an excellent position to bid. We shall expect your tenders with pleasure.

And here is some extracts from the letter sent by Mr. Breton to the Canadian Union of Postal Workers:

Now, under the Post Office Act,—

I am required under the act to publish the advertisements for tenders.

Now, under the Post Office Act, it is understood that public tenders will be asked.

Mr. Breton was then writing, as I said, to his own union.

We are convinced that with your experience and this year's result, we shall be in a position to tender, to get this contract and to obtain security for about 5 years.

Mind you, mention is made of "security for about 5 years" instead of insecurity or security provided by contract for one year only.

And here is what Mr. Breton says further on in his letter:

We therefore expect your co-operation to complete this year and help us prepare that tender.

But nothing was done. After all, it is up to me—

• (9:10 p.m.)

[*English*]

The union took no action. They were advised at the end of September. The union ignored the fact that the government of Canada was announcing public tenders. Why did they not ask us until the end of January when they blew it and decided to revert to their old tactics of violence against the people of Montreal? Why did they not ask to see me? Why did they not speak up on behalf of their men? Why did they not ask me to include in the contract a clause protecting their men? Mr. Speaker, they are not interested in protecting their men; they are interested in protecting themselves. We ourselves included—not at the instigation of the union—such clauses as "tenderers must undertake to pay wage rates not less than prevailing rates." We have paid more attention to the welfare of their men than they have themselves.

In January the new contracts were awarded, representing five times the security of the old ones and stipulating that employees shall be paid daily wage rates—

[*Translation*]

The Acting Speaker (Mr. Béchard): Order. I am sorry to interrupt the minister but his time has expired. He may not continue without the unanimous consent of the House.

Some hon. Members: Agreed.

The Acting Speaker (Mr. Béchard): Agreed. The Postmaster General and Minister of Communications.

[*English*]

Mr. Kierans: This company's contract expires on March 31. These 455 employees will therefore be out of work. They will no longer have a union; they will no longer have a contract. They have never been Post Office employees, nor have the other 40,000 or 50,000 people who work for other contractors across the country. The principle suggested tonight, that the government should guarantee all 455 jobs whether they need them or not because their company has ceased to exist, could be extended to include the case of workers in any textile or other factory which went bankrupt. It might be said that we should guarantee employment to all who lose their jobs. We cannot guarantee employment. We can make suggestions and ask people to take certain steps. We shall do all we can to help them. But first of all they must help themselves.

I have a better breakdown of the seniority of these employees than the union does. We asked them for this information but they refused to give it, or did not bother to reply. We cannot urge contractors to take on new employees until the new employees are permitted to seek work; until they are permitted to register with Canada Manpower and permitted to approach the new contractors. This they cannot do. One of the new contractors can show you any day the goons of the union

who are watching to see which of the members of the union goes into his plant.

I was invited to one meeting of the executive. I went to it, as did the Minister of Manpower and Immigration, and the Minister of Labour. I received the telegram inviting me to another meeting of the executive on the morning of the day on which the meeting was convened. I could not go because I was appearing that day before the Senate Committee on Mass Media, and the Minister of Labour was in Vancouver. The next meeting took place at my instigation. We went over all the points and had a very useful talk and a very hard one.

[*Translation*]

I am ready to meet with Mr. Parent and Mr. Beaudoin.

An hon. Member: The Minister of Labour also?

Mr. Kierans: Surely! But I would prefer meeting with the union members themselves and having a frank talk with them.

I was told, two or three weeks ago, that I would be invited to a general union meeting. But I heard no more about it.

[*English*]

You want the details? You talk about the destruction of a union! Do you want me to talk about the destruction of government property? What do you want the government of Canada to do when 568 mail boxes out of 1,800 have been damaged, blocked, cemented? Are we supposed to say to these people, "You are right. Your methods have forced us to recognize the logic of your arguments"?

Mr. Valade: Of course not. We never said that.

Mr. Kierans: You can see the damage all over Montreal. Where will it end?

Mr. Valade: You are the minister.

Mr. Asselin: Arbitrate.

Mr. Kierans: What is there to arbitrate when people block your trucks and destroy your mail boxes? Who wants to arbitrate with people like that? We shall come to that after they stop these practices—and not before.

Some hon. Members: Hear, hear!

Mr. Kierans: The situation in Montreal is that 700,000 items of mail have been delayed. Now these people are beginning to damage the relay boxes. I could read two pages of incidents. In short, the unions have worked themselves into a position in the last five years where the people of Montreal and the taxpayers of Canada are calling a halt.

In the last five years the cost of operation in Toronto has risen by 33 per cent. In the last five years the cost of operation in Montreal has gone up by 73 per cent. And still they are not satisfied. I have said that unless the violence and the slow-down ceases, I shall have no choice but to revoke the Lapalme contract.

I will say more: It is much more likely that by that time, if the present situation continues, the employees themselves will have driven their employer into bankruptcy. He is not delivering the mail, and in accordance with many of his contracts he is getting paid for what he delivers. Nevertheless, he is paying the employees at full-time rates even though they deliver 20 per cent of a load instead of 100 per cent. In effect, we the people of Canada are financing this slow-down. It is the taxpayer of Canada who is financing what is going on in Montreal.

[*Translation*]

The Montreal taxpayer is fed up also.

[*English*]

If the Lapalme contract is to be revoked, or if the company should have any reason to give up this contract, the members of the union are back where they were when Rod Services decided to go out of business. They will have no contract because they will have no employer. They will have no union because they will have no employer. This time we are not looking for a guardian angel to take them into the fold because we have the people to handle the mail transportation services in Montreal. The sooner the CSN understand that, the better it will be for them and for the people of Montreal.

• (9:20 p.m.)

I have explained to Mr. Parent that if I am forced to revoke the contract we will hire 350 chauffeurs. That is all we need, not 455. We will give priority to those who have long service. I can break down the service for the House. According to the newspapers, some of this service goes up to 20 years. In fact it goes further than that, because 30 of the present drivers for Lapalme have worked for between 15 and 43 years. Three of them have worked 14 years, four have worked 13 years, nine have worked 12 years, 13 have worked 11 years and 27 have worked 10 years. Another

76 have worked between five and ten years. That represents 162 men with ten years of service.

[*Translation*]

No, no goons are involved in this case and I agree with you on that.

[*English*]

Thirty of these employees have worked for four years, 48 for three years, 80 for two years and—this is the heart of the matter—135 have come in within the last year.

An hon. Member: Troublemakers.

Mr. Kierans: I do not say that they are troublemakers, but I do say that the people who came in within the last year knew that it was a temporary arrangement. They knew the conditions which had been prevailing. I do not think that I have a particular responsibility to them, any more than I have a responsibility to make sure that the Teamsters are thrown out of one contract and the CSN pushed in.

We will take account of these people as best we can, but first of all they must look after themselves. They have to risk—and the way things are going, it is quite a risk—listing their names with Canada Manpower. They have to make application. If they do not register with Canada Manpower, there is nothing that I or anyone else can do. If they do register, they will be given every consideration. However, if they do not and the union decides to continue violence because the government is weak-kneed and cowardly and eventually they will win the day, we can help no one in the present group.

One thing we will do is go on delivering the mail, and we will take all the necessary steps to deliver it. If they do not register with Manpower, we will begin by employing 350 new drivers and will give them the security that the occasion will require. The issue is in the hands of the union, and their representatives are here tonight. I hope all of them understand the situation, and that through whatever contacts they have they will make it clear that this government will not yield to violence, to intimidation—that the government will not yield, period.

If the union wishes to discuss job security, the officers of the Post Office and Canada Manpower are waiting. But they have already been waiting for five months since the announcement of September 26. What we heard from them then was not that they were interested in job security, but rather that they were interested in bringing the government of Canada and its Post Office Department to their knees. We are not on our knees now, and we will not be.

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I listened with rapt attention and great interest to the statement of the minister, which lasted longer than the rules for this type of debate allow. However, we were delighted to grant unanimous consent that he prolong his remarks and we on this side of the House will expect, if necessary, that similar reciprocation will come our way.

The minister spoke with great vigour and tremendous volume. He reminded me of one of my old elocution teachers who used to say that when you find your opponents roaring, you know that their argument is very, very weak. The minister used words like "bludgeon", "blackmail" and other brave words in talking about certain unions in Montreal and their iniquity. Since they were also asleep for five months, their iniquity must have been compounded during the few months that they were awake.

I used to read the telegrams and statements that union leaders addressed to or made about this present minister and often they came from the workers in his department. They made the most outlandish—as I then thought—denigrating remarks which I thought were excessive and extreme, and to which I was totally unsympathetic. After listening this evening to the outpourings of this minister, I can quite understand how the spokesmen for the unions feel. I can quite understand why he has been such a total disaster in the matter of dealing with the workers of his own department.

The matter we are discussing tonight on an urgent basis is not one that concerns only the people of the great city of Montreal. My colleague from Sainte-Marie (Mr. Valade) has discussed brilliantly and cogently the problems facing that great city. This is a matter that greatly concerns the whole country since the mail of many Canadians is processed in the metropolis of Montreal.

On the other hand, as a Canadian who is not from Montreal I want to say that I have no desire to see the people of that great city deprived of their essential services. The Postmaster General (Mr. Kierans), who spoke with such volume and apparent conviction as well as partisanship, is himself unique among the ministers of this unique government. In his short term of office he has emerged as an

outstanding curtailer of services and an eminent diminisher of jobs. Postmasters all over the country have found themselves sacked, their offices closed and the services that they have rendered to the people discontinued. People who have rendered faithful service over many more years than the minister has been in government have found themselves tossed out unceremoniously as the minister, with his technocratic sophistication, embarks upon making the Post Office pay regardless of the public and the needs of Canadian citizens.

• (9:30 p.m.)

Newspaper publishers, people who produce the non-profit press, who try to disseminate useful information for the Canadian people, long time users of the post office, have found themselves cast out because of this arrogant technocrat who was going to do such wonders for the postal service. He says the same things about the publishers as he says about the unions. He told us in committee that when the publishers said they could not publish under the new rates "they are selling you a bill of goods." He had the insufferable arrogance to tell me, "They are selling you a bill of goods, and you know it." The man who can presume to read the thoughts of other people is certainly no judicious interpreter of their actions.

In no area has this rapidly disillusioning government created more public resentment than in the Post Office, a department of government possibly closer to the average Canadian than any other. Many people will not be building new houses. Regrettably, many people are not tuned-in to external affairs and many people do not even pay income tax because they do not make enough money in these days of austerity. But most of us like to get some mail once in a while, and today we do not get it too promptly or too regularly. But tonight we discuss and we agonize over yet another grave deterioration in the postal service, one of the oldest and most essential utilities which the government of Canada owes to its people.

Since the present minister took office, what was bad has become worse and what was wrong has become intolerable. Tonight he had the presumption, which he has displayed before, to compare his record with that of preceding Conservative governments. I will follow him in that rhetorical exercise and say to him that he has certainly exceeded his Conservative predecessors and his Liberal predecessors also. He has exceeded both of them because at no time since John A. Macdonald was postmaster has there been such dissatisfaction and such poor service as there has been since this technocratic expert assumed the office of Postmaster General. So if he wants to make comparisons, let him go ahead, but his record is greater than that of the Progressive Conservatives and greater than that of the Liberals—greater in ineptitude than both combined.

[Mr. Macquarrie.]

It is not surprising that there has been a shocking decline in the morale of the workers in his department. I have been here 13 years but I have been studying government for far longer than that. However, never have I seen workers in a department go to the public decrying what is going on in their department to the extent which has been the case in reference to the postal workers since this man took office. Those who want to read may refer to the press of yesterday or the telegrams of months ago from leaders of the unions in the Post Office Department to know what I mean. I have read into the record the statements of union spokesmen on these matters. As months go by we know that the mail accumulates and morale decays. That is the sad and dreary story of the Canadian Post Office in this the second year of the just society; this the second year of the announced satellite era.

Yesterday I read one of the most disturbing statements concerning a section of the public service of Canada which appeared in the Ottawa *Citizen* entitled "Death of Post Office Efficiency". It is a paid advertisement by the Letter Carriers' Union of Canada. I mention this because I think it is germane to the problem. I think we would be faulty in our analysis of this great public problem if we thought that the present discontent and the current troubles in Montreal were unique and isolated from the whole story of the pathetic, regrettable, constant and continual mismanagement of the Post Office Department. The paid advertisement to which I refer reads in part as follows:

> The Letter Carriers of Canada wish to convey to the public, our deepest sympathy while they wait in frustration for mail they know should have arrived.
>
> On February 17, 1969, a system called single mail processing was instituted in the Canada Post Office. This system was imposed full-blown by the minister to cut costs. In spite of this, figures recently published representing government estimates show that the Post Office will again operate at a deficit of close to $69 million for 1970-71.

They end up by saying, in a most unusual appeal from public servants:

> We also ask you, the taxpayer, to contact your MP in an effort to have your dissatisfaction voiced in the House. Let us collectively bring back to the people of Canada the efficient postal service to which they are entitled.

It is signed, and presumably paid for, by the Letter Carriers' Union of Canada. I say again that this is a unique demonstration of relations between governmental employees and spokesmen for the government which, we can assume, is their employer.

Mr. Kierans: May I rise on a point of order, Mr. Speaker. Would the hon. member please talk about the situation in Montreal, if he knows about it?

The Acting Speaker (Mr. Béchard): Order, please. After that admonition from the minister, I will ask the hon. member to keep to the subject of the debate.

Mr. Macquarrie: May I say on this point of order, with all due respect, Mr. Speaker—and the Postmaster General was absent until just a moment ago—that I have looked very carefully—

Mr. Kierans: But I did not miss anything.

Mr. Macquarrie: I thank the minister for his courtesy. This is what makes him such a success. His insufferable condescension has got him where he is. I would like to say, with all due respect, that I have read carefully the motion on which we are speaking. I listened carefully, without interrupting, although with a great deal of incredulity, to what the minister said. I am certain that what we are now discussing is part of the total decline in the morale of the employees of the postal department and I am wondering if the minister in his own remarks, or if anyone in the delineation of this debate, could properly suggest that we must confine ourselves—although I would be glad to do it—to the exchanges between those in Montreal and the minister himself. I am talking very definitely about the situation which is a grave one, so grave, so serious, so national in its importance that we are discussing it tonight under Standing Order 26.

It would be a partial and incomplete analysis to regard the Montreal episode as a separate instance. It is the last part of a regrettable story of abominable public relations and a pathetic failure to understand the aspirations and priorities of the men whose work is necessary to make the department function properly.

• (9:40 p.m.)

The minister mentioned the appeal to the Minister of Labour. He waxed indignant about this. But it was not the members of this party who suggested the Minister of Labour be involved it was people involved more directly in the dealings of the minister who made this suggestion. I shall quote from a telegram:

> The Confederation of National Trade Unions Wednesday asked Labour Minister Bryce Mackasey to intervene in Montreal's two-week-old mail delivery slow-down.

That is a euphemism, I may observe.

> In a telegram to the minister, the CNTU said: "Our meeting yesterday, Tuesday, with Mr. Postmaster General Eric Kierans demonstrated his refusal to seek an equitable solution to Montreal's postal dispute.
>
> We have received your public offer to intervene. That 450 workers are losing their rights concerns you in your capacity as labour minister and we ask you to intervene immediately to reach a solution.

So it is not from this party that the suggestion that the Minister of Labour appear as a saviour has emanated. It is from those others who have something less than confidence in the Postmaster General's ability that the suggestion has arisen. This situation, one of a series I regret to say, is deplorable. I think it is unfair to suggest that the whole responsibility resides upon those on the labour side, no matter how many years of seniority they may have. None of us has any right or reason to condone for a moment the violence which has been reported to us, but to heap scorn upon those on the other side—to use the kindest expression I can command—I submit, sir, is a most inadequate explanation of this regrettable and deplorable affair.

Some actions have been deplorable. I exonerate no one who meddles with the public's mail. Things have happened in Montreal which are beyond excuse. But I say in candour and sadness that the major blame must be placed, not upon the workers who have some reason to feel insecure but upon the minister whose record as an expert in labour relations has been deplorable when it has not been worse.

I think that instead of the superlatives of abuse which we hear about the excessive demands and actions of the union, we can never approach a solution, let alone an understanding of this acute problem in one of the

most important areas of the whole postal operation until we can invoke a little more objectivity, calmness and reasonableness. In all the discussions I have heard over this recent period, one which commends itself outstandingly to me in its objectivity and soundness is a statement made by a Mr. David Waters of the Montreal *Star* on the CBC the other day. Reflecting on this subject in a thoughtful way he said:

The drivers want job security, the Post Office wants to ensure efficient mail delivery, hopefully at a lower cost by contracting the delivery of mail through public tenders to independent firms. That it has proceeded to do by awarding contracts as of April 1st to five new firms. The drivers claim that in the process their jobs and their futures have been jeopardized.

Then Mr. Waters asked:

How just is their claim?

He goes on, as a thoughtful man, to say:

Well put yourself in the driver's seat for a few moments and try to decide for yourself. Let's say you are 50 years old—

That strikes a chord because I am at the half-century mark.

—and have been driving a mail truck for some ten to twenty years. You are presently paid better than the average truck driver who works for some of the firms who have been awarded the contracts. You know that legally the successful bidders are under no obligation to hire you, to respect your seniority or any of the other provisions of the collective agreement which had been negotiated on your behalf with the company with whom you will be working until the end of March. You have heard it reported that Mr. Kierans himself intimated that the new firms may need only 350 of the 400 or 450 more drivers now employed. What has particularly galled you was the answer the Minister of Communications gave to your demands for job security. He suggested that if you ceased your protest—if you applied quickly to the new firms for jobs and if you asked the Manpower Department for help, he would be willing to help you in any way he could. In your view he meant if you are docile enough, if you apply cap in hand for a new job then men of good will at the top will do what they can for you—just trust them.

The Acting Speaker (Mr. Béchard): Order, please. I regret to interrupt the hon. member but his time has expired.

Some hon. Members: Carry on.

The Acting Speaker (Mr. Béchard): Does the hon. member have unanimous consent to continue?

Some hon. Members: Agreed.

Mr. Macquarrie: Thank you, sir. I thank my colleagues and will try to reciprocate by brevity. I shall continue to quote Mr. Waters as follows:

[Mr. Macquarrie.]

But should you trust them. If they cared about your future why wasn't fair treatment for you as to salary and seniority, etc., written into the public tenders put out by the post office. Most of the drivers have concluded that unless they protest vigorously by slowing down the delivery of mail their future well-being will most likely get lost in the shuffle. That distrust is not the fatality of dispute, but it certainly lies very much at the human heart of it. Meanwhile the undelivered mail piles up and the conflict grows more complex and uglier every day. By now everyone involved and that includes the public has become a victim of some kind of injustice. The mail must get through, the solution to the present conflict has to be found or one will have to be imposed. Whatever the outcome it will be wrong if legitimate insecurity of the drivers were not resolved in the process.

I noted very carefully the comment of the minister when he said the workers should take the risk of putting their names into the Canada Manpower office. Knowing how ineffective that particular branch has been in providing jobs, I can quite understand why he used that word.

Mr. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, during the past two weeks the people in my constituency and the people in most of Montreal have been faced with a virtual breakdown in the postal service and with violence and destruction. These innocent, hard-working citizens of a city have been faced for a year with different types of violence and strikes. As usual, it is the innocent citizens who suffer, the old people who wait for their pension cheques, the small and big businessmen and people waiting for important supplies.

• (9:50 p.m.)

As I said, the citizens of the city of Montreal during the last several months have experienced a wildcat police strike with accompanying violence, and a wildcat strike and violence among taxi drivers. They have been subjected to explosions and fires, destruction in their universities, violence in St. Leonard, and many other incidents.

Mr. Speaker, the sad consequence of much that has been going on and is now going on in Montreal is that these people who otherwise are very sympathetic to an open society, to democratic institutions, are demanding authoritarian institutions. I find this is an extreme and very disappointing side-effect of this whole situation.

As I say, the present postal situation is just another incident of many things that have happened in Montreal in the past year. I go

home to my constituency and face telephone calls, letters and meetings with people. They were moderate people, sympathetic to trade unionism and to many of the institutions of democratic society. But now they are questioning these things and wondering whether, if violence is the first principle of action by people who seem to have grievances, they must in protest demand authoritarian institutions. This is a real danger—

[*Translation*]

The Acting Speaker (Mr. Béchard): The hon. member for Sainte-Marie (Mr. Valade) on a point of order.

Mr. Georges Valade (Sainte-Marie): I find that I have to make the same point of order as the Postmaster General and Minister of Communications a while ago.

Even though the subject is very interesting, I am under the impression that the hon. member is talking about security or order. I believe that we are not discussing that question, but—

The Acting Speaker (Mr. Béchard): Order, please.

Mr. Valade: —the Montreal Post Office strike.

The Acting Speaker (Mr. Béchard): Order. I think the hon. member is discussing the situation prevailing in Montreal, where violence exists, and I feel that this is in order.

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

The Deputy Speaker: Order, please. The hon. member for Sainte-Marie rises on a question of privilege.

Mr. Valade: Mr. Speaker, with all due respect, I should like to point out that I rose on a point of order, and I should like the Chair to recognize it anew. We are not here to waste our time, even if it is very interesting to discuss the order or the disorder of society. We are here to discuss the strike in Montreal.

[*English*]

The Acting Speaker (Mr. Béchard): Order. For the benefit of the members of the House I will read the motion, which I have here only in English:

I ask leave, seconded by Mr. Valade, member for Sainte-Marie, to move the adjournment of the House under standing Order 26 for the purpose of discussing a specific and important matter requiring urgent consideration, namely, the postal slowdown in the city of Montreal which has crippled mail service, a concern which is within the administrative responsibility of the government of Canada and which has presently reached crisis proportions.

[*Translation*]

I feel that the statements of the hon. member for Notre-Dame-de-Grâce are relevant.

Mr. Valade: I do not agree with you.

[*English*]

Mr. Allmand: As a citizen of Montreal I am very much aware of the situation and I consider this debate important and serious. I am talking about the postal strike, the accompanying violence and the destruction of property that has gone with it. But I am trying to inform the House that one must look at this situation in context with all the other violence that has gone on in Montreal during the past year. I warn hon. members that it is becoming extremely serious when people, because of situations such as this, are beginning to question our democratic society and are demanding authoritarian institutions.

I find this situation extremely disturbing. I say that with all the sympathy that I have for the 450 workers who might lose their jobs, with all the sympathy for the points they may make in their favour and with all the sympathy I may have for trade unionism and the working people of Montreal, because Montreal is a working-class city. Even with all that sympathy, the people of Montreal cannot accept that the first principle of action in redressing a grievance or in trying to correct the abuses that may be against you, should be the illegal strike, violence and the destruction of property.

When the hon. member for Oshawa-Whitby (Mr. Broadbent) spoke he said, "let us speak about the facts." One very important fact he did not mention in this case is that the officials of this union, whose duty it is to protect the interests of the working men they represent, did nothing for five months. They knew this situation was going to arise. They did not take steps under the collective agreement to do the things they should have done to protect their workers. The first steps we saw in protest at the new situation were the slowdown, the violence and the destruction of property.

As I say, I am sympathetic to the situation of the men who are losing their jobs. I feel that it is unfortunate that matters have progressed to this stage. But I hope that even at

this stage of the dispute the unions and management, in this case the Post Office, can come together and work out a settlement for the good of everyone—for the good of the 450 truck drivers, for the good of the citizens of Montreal who are not getting their postal service and for the good of many others.

The purpose of this emergency debate, as I understand it—and indeed of all emergency debates—is that members of this House can contribute something to the solution of a problem. I think the minister has been doing his best in a very difficult situation. His emotions are taxed; he has been under great strain. Ever since he was appointed to this post he has been faced with lawful strikes and wildcat strikes. As he himself pointed out, of the last five strikes in Montreal only one has been legal and the other four illegal. If the procedure of emergency debate has any meaning, it is so that members of this House may contribute in a constructive way to the solution of a problem that constitutes an emergency. I hope that members on all sides of the House will do this.

I am going to put forward two suggestions. They are not original; they have appeared in the newspapers and have been put forward by other hon. members. I do not know everything the minister has tried but I hope that despite what he said he will still make an attempt to offer a guarantee of security to those truck drivers who have worked for a long time in the delivery of mail in Montreal. Perhaps he cannot do it for all of them.

As I say, I do not know how many attempts he has made already. I am sure he is well meaning. After all, it is certainly not in his interest to continue the strike. It would be very much in his interest to have this dispute settled so that he could go on to deal with other important problems. The minister is trying. He is taking great steps to improve the conditions of the workers in the central post office in Montreal. He is trying to put some of the recommendations of the Montpetit report into operation. But I hope that even at this stage of the dispute he will offer to guarantee work, at least to those drivers who have been trucking the mail for a considerable number of years.

My second suggestion is that the Department of Labour should lend a hand. I made this suggestion the other day in the House, but not as a criticism of the minister. I am not a member of the cabinet; I do not know how it works internally. But I am a supporter of the government and I feel when we have a group of men who are experts, whose speciality is the settling of disputes, we should use them. The Minister of Labour (Mr. Mackasey) has some top flight negotiators and mediators in his department. Perhaps it is time they were invited to help. Perhaps the minister has been too close to the problem. With all his good will and all his experience, perhaps he has come to a point where he just cannot deal with these men any longer. Maybe they cannot deal with him any longer because of the violence and the other harshness that has occurred in the dispute. So I recommend in all good faith that the Minister of Labour or the Department of Labour be invited to appoint a mediator or conciliator.

• (10:00 p.m.)

As I said at the beginning, Mr. Speaker, it is a sad aspect of our society that because of violence, or where violence is used as the principle of action to redress a grievance or a demand, the majority of people in our society who are generally sympathetic to trade unions and to democratic procedures are now beginning to think in terms of authoritarian regimes to suppress violence.

I hope we will return to a civilized method of procedure, to negotiation, bargaining and mediation, and that through co-operation we will settle this dispute as quickly as possible.

[*Translation*]

Hon. Martial Asselin (Charlevoix): Mr. Speaker, the hon. minister has mentioned in his speech tonight the atmosphere of violence which prevails in Montreal owing to the postal strike.

Previous speakers, including the minister himself, have given to understand that we did not propose this urgent debate because we favoured violence. Indeed we were wishing that the minister would expound clearly how he expects to settle the dispute, and how he intends to have regular mail deliveries in Montreal.

The hon. minister was very firm, which pleased the members of his party. I learned at the university that when a lawyer got angry and spoke very loudly in presenting his plea, it was because he had a poor case, and therefore we were advised to remain very composed because our colleague was on the point of making a mistake.

This is exactly what the Postmaster General and Minister of Communications (Mr. Kierans) has done tonight. He has offered no practical solution to settle the dispute.

He launched out at the CNTU, at the employees of G. Lapalme Ltd. and we are obliged to ask him to make a distinction. Not all Lapalme employees broke the law, only a small group. If the minister has any influence, he should ask G. Lapalme Ltd. to fire these trouble-makers.

What has been done until now? First, the minister demands that *Lapalme* employees return to work; then, accusations are made by the CNTU and the FTQ against the Postmaster General for his failure to propose a solution that would help these people solve their present conflict.

Last night, I watched TV when Mr. Laberge stated that the minister was incompetent, arrogant and aristocratic. Tonight, the minister has said in his speech that it was up to the government to decide, that he will not crawl on his knees before the unions and that the CNTU should face their responsibilities.

I therefore ask the minister how, in such an atmosphere of discussion, he can find a solution to this extremely urgent problem?

Mr. Kierans: May I reply to the question?

Mr. Asselin: Yes, provided this does not come out of my time.

Mr. Kierans: May I reply to the question?

Mr. Asselin: Mr. Speaker, please tell me two minutes before my time is up that the minister wants to reply to my question.

Mr. Thomas (Maisonneuve): We are in no hurry.

Mr. Asselin: The hon. member is in no hurry? I hope he is going to make a speech as we have not heard him speak in the House for a long time.

I feel that the way the minister marshalled his arguments tonight will not improve the situation in Montreal.

Even though the minister accuses the CNTU, he must have only one objective, providing service for the population of Montreal and avoiding any disastrous economic consequences from the discontinuance of mail delivery in Montreal.

If there are any union problems, the minister will call upon competent people to solve them.

Tonight, the minister missed the boat! Had he proposed any solution, the situation would be entirely different.

If the hon. member on my right wants to make a speech, he can make it in due time, but he should let me finish mine. It is not often that Liberal members from Quebec make speeches. We are anxious to hear them.

The minister did not say how he intended to settle the dispute. He concluded tonight, by saying that he wanted the dispute to drag on, suggesting that nobody would blackmail the government who is the master. The workers must be put in their place. The government must prevail. If the minister persists in this attitude for weeks and months, he will not improve the situation now existing in Montreal.

I am not for or against labour unions, but I am very concerned with human problems. The one we are considering now is the following: 450 employess of G. Lapalme Inc. have changed employer four times in five years.

• (10:10 p.m.)

Instead of trying to find customers to whom the trucks of G. Lapalme Inc. might be sold, as he said the other day in this House when he answered a question from the hon. member for Joliette (Mr. La Salle), the minister should rather be concerned with the future of the 450 employees who are in danger of losing their jobs at the end of March. Mr. Speaker, there lies the real issue.

Even though the Liberal members from Montreal, headed by the minister, would like people to believe that this emergency debate was requested because we were glad there was violence in Montreal, I shall say to the minister that, like him, and like all other members from Montreal, we are against violence. However, we ask the minister to act in the interest of the people of Montreal and the 450 employees facing an intolerable situation.

The minister should be aware of the situation since it had already arisen with Rod Service Limited. He has decided to change the manner in which tenders are called and to divide between four or five districts mail delivery in the region of Montreal. But in four or five years, when these contracts expire, the minister will meet again with the same problem and will have to solve it.

Today he merely says that he cannot guarantee to the 450 employees that they will be rehired by the new contractors whose contract will come into force next April 1. What solution does the minister contemplate to help the 450 people who will be laid off? To go and register with the Department of Manpower and Immigration in order to get employment! And, as my colleague, the hon.

member for Hillsborough (Mr. Macquarrie) stated a moment ago, with our experience of that service, these people are not about to find a job in the Montreal area or elsewhere in Quebec, because that is where unemployment reaches its highest level, that is 8 per cent. And with a big smile the minister says: Personally, I can do nothing for the 450 employees who will be laid off on April 1 next.

Mr. Speaker, what is lacking in the Post Office Department's policy is planning. It was stated tonight, a short-sighted policy is applied, there is no control and, as one of my colleagues stated a short while ago, when the Letter Carriers' Union of Canada puts the minister's death notice in the papers when he is still living, that is a sure sign that the situation is worsening and that, obviously, the minister must do something about it. All my colleagues must have read in the newspapers the following notice:

In Memoriam. Efficiency of the Post Office Department.—February 17, 1969—February 17, 1970.

The Letter Carriers' Union of Canada was asking the population not to hold it against its members if the postal service was operating slowly, because the morale of Post Office employees was exceedingly low owing to the drastic steps taken by the minister since he became the head of that department. Indeed, he stated that he wanted to make the Post Office Department a profit-earning proposition, but for the years 1970-71, that department will still show a $69 million deficit.

These are figures and considerations on which it is well to ponder. I hope that the minister, at the end of this debate, will be allowed to say whether he will let the Montreal situation deteriorate or whether he has a practical and effective solution likely to settle the problem now existing in the metropolis.

There are some solutions. We are often told that the opposition can only complain and blame the government. Of course, our role is to criticize, though objectively; however, we must tell government members that we are not those who govern this country. The responsibility for taking the necessary decisions rests on the government itself. As far as we are concerned, we can help the government come to some decisions when it fails to find solutions to current problems, and in this case, when solutions must be found to the Montreal conflict.

How can the minister get out of this situation? Is he in a position to make arrangements through a negotiator? A Liberal member who spoke earlier suggested the appointment of a negotiator who would intervene, in order to look fully into not only the problem of employees, but also that of an efficient mail delivery in Montreal.

I think that the first solution which the minister should consider would be to appoint a negotiator acceptable to all parties.

Secondly, what prevents the minister, if he wants to show some kindness, from urging those to whom the contracts will be given out as of April 1, to hire the greatest possible number of employees now working for G. Lapalme Inc. This is, in my opinion, the only efficient step which would show the employees of G. Lapalme Inc. that the minister wants to help them find solutions to their problems.

Besides, as long as Montreal and in the large centres of the country as well, we are not given a tender system imposed by statute, the minister will be faced with insurmountable difficulties.

When the minister rose to speak a few moments ago, I suggested, regarding the mail delivery and the postal system, that he set up a Crown agency that could award contracts to responsible companies which could hire workers on a permanent basis to ensure their continued employment. Those companies could provide supervision and a much more efficient planning than the present system. That is the only way out for the minister. A Crown agency could help in the planning of contract awarding and regular service, and could also bring job security to the workers.

• (10:20 p.m.)

The minister is now facing this problem in Montreal, but he will run into similar difficulties in Toronto, Winnipeg or anywhere else when contracts come up for renewal. I believe that the only way the minister could plan the policy of the Post Office Department would be to set up a Crown corporation with control over all aspects of the operation.

Since we are proposing objective solutions, the minister will not be able to claim that the opposition does nothing but criticize. We are not here to put the minister to the test but to help him get out of the mess he is in. If the minister were in our shoes this evening he would know just how many letters and telegrams we have received, not only from employees of G. Lapalme Ltd. but also from people who use postal services in Montreal

and others whose businesses are badly jeopardized because of that temporary interruption in the service.

As I said a while ago, we are not here to put the minister to the test but to help him. We are making suggestions to him and he should tell us, before the end of the debate, whether he accepts them and intends to deal humanly with the employees of G. Lapalme Ltd. in order to bring their problems to an end. In my opinion, that is the only way to cope with the situation.

Mr. Gérard Loiselle (Parliamentary Secretary to the Minister of Transport): Mr. Speaker, we are holding an emergency debate this evening on the postal services and the problems now rampant in Montreal.

Of all members, I am perhaps most aware of postal services in Montreal. As Rod Services operated in my riding until last year, and the drivers for G. Lapalme Ltd., which operates further east in the city, used to hang around in a certain restaurant in my riding, and still do, I often have had the occasion to chat with them.

It is true that from time immemorial there has been a problem in that administration sector and that the present strike in Montreal, be it a slow-down strike or not—I will mention some facts to show that it is a deliberate one—is a source of serious trouble for the people. In fact, as the hon. member for Notre-Dame-de-Grâce (Mr. Allmand) said a while ago, that strikes affect not only the poor who are waiting for cheques by mail but also the provincial economy and particularly that of the city of Montreal.

Last Monday, we did not get any mail in my office and last week we were two days without mail. That is the way it is in all business offices in the city of Montreal.

Mr. Speaker, this means that the economy suffers from that strike and that the CNTU leaders, instead of always blaming everything on the governments, the city of Montreal or public corporations, should assume their share of responsibility.

It is up to the minister and the government to provide the people with an adequate postal service.

But unions also have a responsibility as regards to the welfare of the employee and, in order to provide that welfare, one should not always rely upon governments.

It is also their responsibility to tackle the problem in order to solve it. While examining the problem, we could compare the costs of this service in Montreal, Toronto and Vancouver.

For the year 1969, when Rod Services Limited provided the mail service in Montreal, the cost to the Canadian government was $4.3 million.

Lapalme Inc. has a temporary contract. It was remitted to them when Rod Services Limited withdrew. They were told to take over mail delivery overnight. It will cost the Canadian people $5.2 million. With the five new contracts which were just signed by the Post Office Department and which will come into force on April 1st, it will cost $3.5 million. Therefore, there is a saving of $1.8 million.

Mr. Asselin: Is it as efficient?

Mr. Loiselle: The hon. member for Charlevoix had his turn. Now he should listen to what others have to say, as he mentioned to other hon. members earlier.

Let us consider the cost involved in collecting parcels from mail boxes in two large cities of Canada where the cost of living is higher than in Montreal and in the Quebec province. In Toronto, it costs $20.75, in Vancouver $20.15 and in Montreal $25.60. As for colecting letters from mail-boxes it cost $6.11 in Toronto, $6.39 in Vancouver and $7.46 in in Montreal.

I have never heard anybody say that the employees were not paid enough. Their salary is $3.42 an hour but, as the minister said a moment ago, when the contract with Rod Services Ltd. expired, 397 drivers worked on mail delivery. But now, one year after the contract has expired, there are 455. Were the department to undertake the same work as that provided by G. Lapalme Ltd. they would have a payroll of 350, therefore 105 people fewer.

Surely, there is a failure somewhere. Why should we increase the personnel for the mere sake of providing them with jobs when it would be easy to find employment for these 100 people?

I am all in favour of unions, but not when they go beyond the limits of common sense. They sometimes go too far. In the Quebec province, however, there are a number of fields in which they would be welcome. Unfortunately, unions start growing where they thrive best. It is all too easy to say that the government should pay. But in the long run, who is the government? The government rep-

resents all the citizens of Canada. Were there no citizens there would be no government at all.

I often say to people that if the government has no money to pay, they go and get it in the pockets of taxpayers. Everything boils down to this. Now, the important thing is to restore the service in Montreal and to help the 300 or 400 drivers. I understand them, I know them. Several of them are married.

The minister said a while ago that 30 employees have been collecting the mail for 15 years and some for 43 years. About 162 of them have been doing this work for over five years. They practically have vested interests in their work.

The unions must also admit that they have no responsibility towards the department and that the department has no responsibility towards the unions. We may have a moral responsibility towards these employees, and I am sure that the minister offered his co-operation to the unions. The union concerned has even offered the minister to meet the members. Too often, in fact, when those strikes occur, three, four or five union leaders control the members and the whole association.

In proof of this, let me tell you that one of the new contractors whom I know ran an ad in the papers last week in Montreal, asking the drivers of G. Lapalme Inc. who were interested in joining his staff to apply to his offices, to make an application which would be taken into consideration.

• (10:30 p.m.)

Until Saturday, no one had come to his office. Why? Because cars filled with goons and thugs were keeping watch over the entrance to his premises to make sure that Lapalme's drivers, CNTU members, would not apply for jobs. This is not logical. If the CNTU is so anxious to help the 300 or 400 drivers why did it not get in touch with the five new trucking businesses which will have the mail contracts from April 1 in order to help those people find a job?

Did not the 1969 contract linked with Lapalme stipulate that a six months' notice was to be given to the contractor as well as to the union before cancellation of the contract?

This notice was given in September by the Montreal postmaster.

It seems to me that, since September, the union has had time enough to foresee what was to happen to these drivers if it was that interested in their welfare.

As the minister said a moment ago, Rod Services Limited probably gave up their service in 1969 for the same reasons that led Lapalme Inc. to do the same, i.e. not to bid.

How is it possible for bidders to co-operate and to supply an appropriate service if they cannot, as we are told, hire or fire employees?

Unions are a good thing, provided that they do not go beyond the limits dictated by common sense. Unfortunately, in other fields where they should make their presence felt, they are not there.

It is the responsibility of the department to supply postal services to the people of Montreal and to the people of the whole country. However tonight we are concerned with the situation in Montreal. A short while ago, the minister gave the reasons for his attitude. Even if the hon. member for Charlevoix (Mr. Asselin) stated earlier that he was not here to crucify the minister, I suggest that the hon. member for Sainte-Marie (Mr. Valade) not only wanted to crucify him, but also to flog him beforehand. He called the minister all sorts of names.

On the other hand, the other previous speakers have dealt only with what they blame the minister for, which is normal. It is indeed normal to ask what is going on.

Hon. members should recognize that the minister gave a brilliant account of the present situation. He proved beyond any doubt that he was prepared to offer his co-operation, that he did offer it and that it was refused, because conditions were laid down to the department even though it has no obligation towards those people.

The department offered its assistance to help those drivers. They were offered the assistance of the Department of Manpower and Immigration and, as I mentioned earlier, it would be very easy for the union to negotiate with the five new contractors, so that they could hire those 300 or 400 employees. Why should the government assume responsibility for their hiring overnight? What will it do with those 400 men? Now that the new contracts have been agreed to, are we to impose a supplementary condition?

I believe that the CNTU leaders are not so stupid. They know that such a thing cannot be done. This would have been possible before, had it come to the minds of those concerned, on receiving their notice in September, that tenders would be called in November and that contracts would be concluded in January, taking effect on April 1. But no one worried about that. People would rather pay attention to other things, whereas those people should have been looked after.

I wish a solution were found, but there is no point in exasperating the government and blaming the minister and everybody, charging them with all imaginable sins, claiming that they do nothing and oppose existing projects; we shall not achieve co-operation in such a way.

The minister said a few minutes ago: We are prepared to enter into new negotiations to ensure better co-operation as soon as the illegal actions will cease in Montreal.

One of my friends told me yesterday that he had taken a certain street in Montreal and that he had followed a truck of G. Lapalme Inc.. I do not blame the contractor, but perhaps the driver. He had perhaps been forced by the union to act in a certain way.

But he was following the truck. Twice, the driver got out of his truck, bowed to the mail box, climbed back in and went away. That fellow was getting paid for his work but he did not do it.

Elsewhere, Monday morning, one of my Montreal employees advised me that on Park Avenue a mail box had been smashed and that the mail was scattered in the street. You are not going to tell me that such behaviour is not reprehensible. A while ago, the minister was blamed for his firmness, but I think that firmness is and will always be necessary. We want to help those people, but on the other hand, if they are paid to do that work, they are responsible to the department and the Montreal community for doing it properly.

The union has its responsibilities too. If it intends to oblige the employees to resort to violence to make the government treat them well, it is blackmail and the government should not yield to it.

A few moments ago, the minister said that some 500 mail boxes were ruined in Montreal and that some people had the "brilliant" idea of cementing the locks. And after such acts of vandalism, it is expected that the government will hire those people and will tell them: You were right, we shall give you certificates of good behaviour.

If a government did things like that, it would not deserve to be in power. If the minister ran his department in this way, he would not deserve to be Postmaster General.

I agree that these people should be protected, provided the drivers and the unions are also prepared to co-operate with the government. But the situation is not going to improve by leaving the people of Montreal to cope with such a problem. Undoubtedly, everyone has noticed that the worst problems of the Post Office have always come up in Montreal.

Even with the collective agreement, the situation has grown worse over the past two years. Again yesterday, I received a telegram from the Board of Trade telling me that conditions are unbearable. The employees should be left alone, the union should co-operate, the roughnecks, the bigwigs of the new employer should be thrown out. The new drivers should be allowed to find jobs.

The unfortunate feature of all such strikes is that while 500 or 600 union members are on strike they receive no pay whereas actually the strike was called by a few union leaders who control them and who continue receiving their salaries.

If, when a strike starts, the union leaders also were deprived of their salaries, strikes might be settled faster and more favourably.

But no. Baptiste, the little man, is on strike because the big wheels of the unions have decided to call a strike, to demand a raise of 30 or 40 cents an hour. But in the meantime, the worker does not get any pay.

Many strikes have been called in Montreal. One in particular, that affected a company on St. Patrick street, it lasted four months, after which the employees accepted the offer made to them at the beginning. The members of this union had been deprived of their salary during four months and it will take them two years to recover their losses.

The union leaders had not been affected by the strike. They lived quite well because they were well paid. Once they have settled a strike, they go somewhere else and start another strike. The unfortunate part of it is that the worker, who needs his salary from one day to the next, is always the loser.

He is not given a chance.

Actually, it seems that postal employees are prevented from applying to other contractors for employment. There are five new ones who will start operations in Montreal on April 1. Why not let the people who will be laid off be hired by these companies so that they can earn a decent living? Thus on April 1 they would start work for the new contractor. I wonder why the CNTU which is so interested in the welfare of these workers did not co-operate with these five contractors so that all the present postal employees may be hired again?

Why blame the government and charge the minister with all the sins of the world? In fact, he has problems, he has responsibilities regarding the population and the union has some towards its members.

They should perhaps broaden theirs views, instead of always counting on the government. They themselves could perhaps try to obtain the means of helping their members from private enterprise and the public at large.

• (10:40 p.m.)

Nobody can accuse the minister of having infringed the law or of having abused his rights. If he abused them, I think, it is by offering more than others.

The hon. member for Hillsborough (Mr. Macquarrie) said a while ago that there was some unrest, that the morale is low in the Post Office Department and that the situation looked bad. Under the Progressive Conservative government, federal employees were not allowed to strike.

Postal workers in Montreal had a hard time when the Conservatives were in office. They will tell you it was the worst time of all. We must not cover up the present sins with past sins.

As someone said a while ago the minister and the union have responsibilities to assume. The minister must act firmly but sensibly, and this is what he has done so far. This evening, he offered again his co-operation to the employees as well as to the union leaders. It is a question of wanting to co-operate. Let the union members co-operate also. Perfect strangers must not be allowed to attend the meetings. They should be actual members, and not people from outside who got their CNTU membership card as truck drivers only a week ago. Let us bring the members together with the minister. There exists a solution to the problem. It is not the end of the world but there must be some co-operation. Co-operation must not come only from the minister but from the others also.

The Acting Speaker (Mr. Béchard): Order. I am sorry to interrupt the hon. member but his time has expired.

Does the House agree to let the hon. member continue his speech?

Some hon. Members: Agreed.

Mr. Loiselle: The hon. member for Charlevoix (Mr. Asselin) said that the department could be turned into a Crown corporation. I have already suggested it.

Even now there is a small area in Montreal where the department picks up the mail. I have not heard that there are any problems in that area. The problem might perhaps be solved, or at least 90 per cent of it, if a Crown corporation were set up. But before coming to that, other problems should be solved because, as the minister said a while ago, the problem exists across Canada. We should not have a small Crown corporation for Montreal, another one for Toronto, and yet another for Vancouver. There should be one single national corporation.

This is a human problem, one of equality and honesty for the citizens of Montreal. I trust there will be co-operation not only on the part of the minister but also on that of the union leaders and members, so that this situation may be solved in the best interest of the drivers, the members of that union, and also that the reputation of that association may be spared. The honour of the province of Quebec and of the City of Montreal must also be spared and their economy encouraged for it is now in sad shape.

[*English*]

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, I had the advantage this evening of listening to a very interesting debate and finding out a great deal more about the subject of torment to the largest metropolis in Canada. I was particularly interested in the remarks of the last speaker about the time when the Conservative Party had the honour of administering the postal service and how badly off the postal employees and the public were then. It seemed to us that our chief fault was that we delivered the mail on time and at a much lower cost than the present administration is able to do.

What kind of situation faces the people of Montreal? It is the people of Montreal with whom we are concerned and not the egotism of a minister or factors like that. We are concerned with public service and we have to find a solution to our problem. Having heard the Postmaster General (Mr. Kierans) speak in the chamber this evening, the main contributing factor to this difficulty obviously was laid bare in dramatic form. The minister was able to recount as well as his supporters incident after incident in this hot war between a union and the Post Office Department.

It is fine and good for the minister to take whatever advantage he feels he has in cloth-

ing himself in righteousness, pointing his finger at these incidents and saying that he will not be blackmailed. This would be a fine position if it were one that would work. But nothing the minister said convinces me that his position will work. The intransigence of the minister is at the heart of this problem, and the intransigence on his side is as solid and firm as it is on the union's side. There is a willingness to obstruct, to block to overturn mail boxes and to wave one's hand at mail boxes while going by.

So you have an irresistible force pressing against an immovable object. How does that solve anything for the people of Montreal? I think that the minister, who is a charming fellow in many ways, is about as flexible as a fossil. He cannot move. He takes his stand on a position and neither common sense nor the urgency that is so apparent in the city of Montreal can in the least way budge him from the position in which he finds himself.

The minister continually points to outrages with no suggestion of any action to cure them or the over-all situation. This simply leaves everyone floundering in the morass he and his party have created. When we consider the difficulties in the postal service over the last year and a half—and I shall stick to this particular problem—we find one common factor throughout the whole story: it is the intransigence of the Postmaster General. Once his mind is fixed on something, that is it. I do not think one solves any labour problem by being intransigent. One must have flexibility in his approach. I believe the hon. member for Notre-Dame-de-Grâce (Mr. Allmand) in his question on Friday the 13th put it pretty neatly when he said:

> Mr. Speaker, I wish to direct a supplementary question to the Minister of Labour. In view of his success on the west coast and his other successes during the past year, would he consider offering the services of his department to the Postmaster General in settling the postal dispute in Montreal?

Hansard records some hon. members saying, "Oh, oh". I believe there were a great number of hon. members that day who said, "Hear, hear". Although *Hansard* records it as "Oh, oh", I think quite a number of us thought this would be one glimmer of light at the end of the rather long, dark tunnel into which the Postmaster General has led us. His pointing to these instances may warm the cockles of his conscience but it does not deliver the mail in Montreal. His somewhat facetious suggestion the other day that perhaps the people in Montreal might stop writing drew its proper rebuke in an editorial in the Montreal *Gazette*.

We have the minister's intransigence on the one hand and on the other hand a feeling by the union people that there should be some security. We have had examples of people serving for as long as 43 years. If we cannot find a way to give security to people like this, we are in the wrong business.

No one on the other side of the House has been able to say that the rank and file of the union involved would not support their leaders. One can talk about harassment by goons and the like, but I have not heard any concrete evidence that this is taking place. Perhaps this is a Frankensteinian monster the minister is talking about. These people say they are going to stand and fight and that these things have carried on for a long period. This must be the case, if someone can give 43 years faithful service to the people of Canada. It would seem to me there is only one way to solve the impasse. It cannot be done in the posture which the Postmaster General adopted this evening. He should either turn the job of negotiating over to somebody else or the government should get rid of him. It is as simple as that. Obviously, he cannot solve the situation. Obviously, the longer he is there the worse the situation becomes.

• (10:50 p.m.)

[*Translation*]

Mr. Marcel Roy (Laval): Mr. Speaker, the presence here tonight of all Liberal members from the island of Montreal and the area is surely an indication that the situation in which the people of Montreal now find themselves is of concern to all members of parliament.

I am sorry that the hon. member for Sainte-Marie (Mr. Valade), who called for this emergency debate, did not see fit to stay in his seat to hear the retort. I believe the main dish that the Postmaster General and Minister of Communications, (Mr. Kierans) served him did not agree with him.

I think the minister might have thanked the hon. member for Sainte-Marie who gave him, through this emergency debate, the opportunity to really explain to the people the situation in which his department finds itself.

It is a serious problem, which deeply concerns not only the 450 employees of G. Lapalme Inc., but also the whole population of metropolitan Montreal. As member of this

house, I felt duty bound also, even at this late hour, to take part in this emergency debate, for a member's duty consists in keeping an eye on the interests of all his fellow-citizens.

Mr. Speaker, I will deal in my remarks with three different aspects of this problem: the economic aspect, the efficiency of the service as regards our fellow-citizens and employment security, which seems to cause great concern to the opposition members.

The population must be informed about the way the government considered those three aspects.

As was mentioned by the hon. member for Saint-Henri (Mr. Loiselle), from an economic viewpoint, we are going to save $1.7 million this year through public tenders and changes in the present system. This problem is urgent because this stoppage in the mail service is costing about $200,000 a day. And, what is even more important, losses in the business sector are said to amount to $1 million a day. That is why my first remarks deal with the economic aspect.

Now, mention was made of service and protection for the citizens. This is a point to be considered. In my opinion, there is not a single member who would go against the interest of the workers. But any rule goes just so far. We agree to protect the workers but we also want to know what that will cost.

Here I refer to the tenders called by the department on November 28 last. I think it was clearly indicated then that the tenderers should agree to pay salary rates at least equal to those in effect in the trucking industry on the day the tenders were called.

Furthermore, employment security was not for a year only but for five years. I think that the minister has really taken into consideration the security of the job for all drivers now employed by Lapalme Inc.

Now, to do justice to the G. Lapalme Inc. Company which did not tender for contract, which did not see fit to answer a letter written by Mr. Cormier, postmaster of Montreal dated September 25. May I say that here again, the question of employment security was considered. In fact, this is what Mr. Cormier had to say:

> Your experience in local trucking and your knowledge of postal operations put you naturally in an excellent position to tender for a contract. We are expecting you to come forth with offers.
>
> The Post Office Act provides now a five year period for transportation contracts. This longer period allows the successful tenderer to stabilize his activities in an efficient way as against the insecurity resulting from temporary agreement providing a one year term.

[Mr. Roy (Laval).]

So when the hon. member for Charlevoix (Mr. Asselin) blamed us for apparently waging war on the unions, this was sheer demagogy.

May I now be allowed to quote from an article in the February 5 issue of *La Presse*, and written by Roger Champoux:

> There is a limit to everything.
>
> The Canadian Post Office has evidently scrupulously complied with the law. The agreement with G. Lapalme was temporary and the drivers concerned were surely aware of it. When the Lapalme company went out of business, the authorities had to look elsewhere, which they did. Who could blame them?

So I believe that all those points at issue which were raised were simply questions asked by the opposition members. Tonight, I think all their questions were really answered.

I now come to the following conclusions, Mr. Speaker. Tonight, we have seen in action a minister who has not always chosen the easy way out, but who has really assumed his responsibilities. He really called a spade a spade, and I think all the members of this house will want to support the Postmaster General and Minister of Communications who has looked fully into all the aspects of the problem and who did credit to his colleagues, as I said earlier, by not taking the easy way out and by facing his responsibilities as an administrator. He was easy-going, he examined the problems of the employees, the problems of the unions and the interest of the public and then came up with constructive suggestions.

When the interests of a country are threatened by a minority, the duty of the people's elected representatives is to protect the interests of all their fellow-citizens.

Those people, Mr. Speaker, show no regard for their own property as they have ransacked mail boxes which are public property. They have lost the respect of their colleagues, of their fellow citizens. I think they should be called back to order.

Mr. Speaker, the public is entitled to the service for which it pays. The government has a part to play, and the attitude of the hon. Postmaster General and Minister of Communications is really firm and positive.

From the information supplied by the hon. minister tonight, the situation has to be brought under control quickly so that the daily loss of $200,000 to the Post Office and of over $1 million to the business sector will be blotted out.

In my opinion, the department of Communications wants to help give a new impetus to the economy of Montreal which needs it very badly.

[*English*]

Mr. John L. Skoberg (Moose Jaw): Mr. Speaker, I thought it only proper that I take part very briefly in this debate tonight, particularly in view of the fact that the Postmaster General (Mr. Kierans) may feel that the the wheat belt of Canada is not represented in this particular issue.

• (11:00 p.m.)

I remind the Postmaster General that what has happened in Montreal can happen elsewhere. We are all concerned about this matter. The point is that the Postmaster General should realize that you cannot use confrontation when dealing with people. Look at the newspaper headlines! One of them says, "Kierans warns CNTU to end postal tie-ups." I do not know whether the minister is warning the 455 people involved, or the entire CNTU. The newspaper article purports to report what the Postmaster General said yesterday. It says:

> Postmaster General Eric Kierans said yesterday he will inform officers of the Confederation of National Trade Unions today that unless the Montreal postal situation returns to normal, the government will have 'no choice but to take extraordinary measures.'

Another headline says, "Kierans threatens quick move to cancel mail firm's contract". We heard tonight what a benign Postmaster General we have. It depends on your point of view: at times I wonder whether he is a sort of benign cobra. The Treasury Board has on occasion dealt with its employees as the Post Office Department appears to be dealing with its employees, that is, with a heavy hand. You cannot have collective bargaining with a heavy-fisted minister responsible for any department.

When the minister talks about extraordinary measures it means men will lose their seniority, the means of livelihood to which they have devoted their lives and jobs in which they have spent their whole working lives. It also means that there may be violence of the worst form; and that will destroy the minister's credibility. I think all will agree that you cannot run a Post Office Department as if it were a ticker-tape. Ticker-tapes have no heart or soul and do not consider the human consequences of any action. Ticker-tapes do not react to anything in a human way; they only register money that is being put into and taken out of the stock market; and the money taken out, if a profit is shown, bears no capital gains tax.

People are devoting their lives to service in the Post Office. They are working for the people of this nation. They have hearts and souls and we must worry about them. One newspaper article says that the business community of Montreal and the people of the city have been suffering hardship because of the slow-down.

The Postmaster General ought to be worried about this situation. He should also be worried about people in other parts of the country who receive mail on only five days a week. That constitutes a slow-down. And who but the Postmaster General introduced it? He may laugh and jest, but he would not do so if he knew the names people all across this country are calling him. Some call him Eric the Terror; others, No Mail Eric; and still others, Heartless Eric. If I were not speaking in the House I might tell him other names that people call him.

If the minister were really concerned about the backbone service of the nation and about problems relating to mail delivery, distribution and handling, he would treat people as equals. This is no time to discriminate against a person because you do not like him. You may not like certain people, but you must treat them fairly. This is a basic human right that many people in government today are forgetting.

Let me also comment on the Postmaster General's suggestion that the present decision has the backing of the entire government. I suggest to the Postmaster General that if this decision does have the backing of all government departments, the cabinet must be responsible for the greatly reduced mail service in this country and the complete deterioration of the morale of people working in the Post Office Department because of the incredible attack made upon them.

We have heard the minister say tonight that there is a disruption of mail service to 2½ million people at different times of the year. I suggest that the mail service has already been destroyed in so far as an effective system is concerned. At the same time the minister told us the union is destroying itself, driving employers out of business who are then asking to be relieved of their contracts. I suggest it would be pleasant to hear the other side of this story. I believe the minister is credible in many cases but too often we have

heavy-handed ministers who do not give us all the facts. In this situation we should hear both sides of the story if we are to know the whole story.

We have heard statements made by many people in responsible positions. As the minister said tonight, there are union leaders who are interested only in protecting themselves. Statements have been made on other occasions that people have deliberately tried to brainwash the public and lay the blame at the leadership level. I am not in a position to say whether the blame should be laid at the leadership level in this case. I have heard this familiar theme song many times. Until I have some facts to support that contention, I am not prepared to say that it is factual.

The greatest need today is for expert negotiations. I plead with the minister to ask the Minister of Labour (Mr. Mackasey) to send one of his crackpot negotiators—

Some hon. Members: Oh, oh!

Mr. Skoberg: —I mean one of the crackshot negotiators of his department to try to remedy the situation.

The hon. member for Notre-Dame-de-Grâce (Mr. Allmand) made a few suggestions. One was the need for security for those displaced. We all agree with that. I hope when these people go to the Minister of Manpower and Immigration (Mr. MacEachen) they will have the sympathetic hearing to which they are entitled. Another suggestion with which I agree 100 per cent is that we immediately assign one of the labour minister's negotiators to deal with this matter. I believe the minister should get away from the closeness of the situation. This was also suggested by the hon. member for Notre-Dame-de-Grâce. The minister is too tense and worked up. Possibly this situation could then be resolved.

A member of the government should not come into this House, under any circumstances, and call people goons and other names and expect any labour organization or other association to have respect for him. We have heard in this House tonight people being called goons and other names. I ask the Postmaster General to put the record straight. When the minister talked about goons, was he referring to the CNTU as an entire body or as individuals; or was he talking about the 455 people who are worried about their livelihood? It is time the former leader of the CNTU, the Minister of Regional Economic Expansion (Mr. Marchand), took a hand in this situation. Let us see whether the CNTU is credible and whether the Postmaster General should be calling this organization the names that he called it tonight. If he was not calling the organization those names, to whom was he referring?

I believe the time has come for the minister to cease issuing press reports in the way he has been doing. We must not have confrontation in this situation. We must have negotiation if we want intelligent bargaining.

• (11:10 p.m.)

[*Translation*]

Mr. Alexandre Cyr (Gaspé): Mr. Speaker, I did not always agree with the policy of the hon. Postmaster General (Mr. Kierans) but having listened carefully to his statement tonight, I must say that the position he took on the postal conflict in Montreal is in the interest of the people of Canada and particularly of the users of postal services in Montreal.

Since 1963, the Post Office Department established a complete reform programme of the postal service in Canada and the mechanism was set in action following the introduction of a report by the Royal Commission. A bill on management reform was submitted by the hon. Postmaster General and defeated by the Opposition. This modified bill has been again presented in October 1968 as bill C-116.

The purchasing of new equipment, the building of up-to-date plants and the increase in wages have entailled increased expenses for the Post Office department and bill C-116 was to correct partly this situation. Some members of Parliament, on the Treasury benches as in the opposition, have objected against certain clauses of this bill, and we have succeeded in amending it in the interest of all the users of postal facilities in Canada.

From an article published by *La Presse* in October 1968, I quote the following excerpt:

> The most active defenders of Mr. Kierans' bill are the postmen themselves.
>
> For instance, yesterday, when members of the opposition parties continued to harass Mr. Kierans in the House of Commons, the president of the Canadian Postal Unions of Canada, Mr. William Houle, declared that the postmen had been fighting for 10 years for such a reform in the Post Office Department. In fact, Mr. Houle has indicated in an interview that the way things are run today in the postal services has been a major cause of the two strikes of the employees in the last years. According to Mr. Houle, the posties are backing unreservedly the bill in its present form. He added that concession appeared acceptable, that of leaving post offices open in rural areas, that is where this would not give to any or very little additional costs.

He is interested in expenditures. In this act, to which Mr. Houle gives his wholehearted support, section 22 reads as follows:

> Before entering into a contract for the conveyance of mail involving an annual expenditure of more than one thousand dollars, the Postmaster General shall, for a period of at least three weeks, display public notices inviting tenders for the contract in post offices and other public places within the area to be affected by the contract and may, by any means, give such other public notice of the invitation to tender for the contract as he considers desirable.

And subsection (2) reads as follows:

> Where mail is conveyed pursuant to a contract referred to in subsection (1), the Postmaster General, if he is of the opinion that it is in the public interest so to do, may with the approval of the Governor in Council discontinue the conveyance of mail pursuant to such a contract and instead cause it to be conveyed by postal employees in vehicles owned or leased by Her Majesty—

When the president of the Canadian Union of Postal Workers, on behalf of all its members, was in agreement with the proposed bill, namely Bill C-116, he was also in agreement with section 5. The procedure followed by the Postmaster General and Minister of Communications is consistent with the act passed by Parliament on October 28, 1968.

Again pursuant to the act, the department made it known on September 26, 1969, that tenders for contracts would be made for the transportation of mail by truck in Montreal.

As my colleague from Montreal has indicated, a zoning service was tried in the Montreal east end in 1966; it produced a better service and allowed the department to achieve a more efficient control. The experiment was carried on and, after a few years, the Canadian Post Office decided to split the Greater Montreal service into various zones. That did not happen unkown to the labour unions. Everybody was aware of the decision, as well as of the temporary agreement that was concluded with G. Lapalme Inc., pursuant to Section 5 (2) of the act. The agreement's duration was of one year only and again the union was aware of the terms involved.

The minister's responsibility is to enforce a legislation voted by Parliament. If the minister had not let the five contracts according to the stipulations of the act, the opposition, which today requested an urgent debate, would have been first to criticize him and to call him to account. to ask explanations. He would have been asked why he had not enforced the legislation to which, as I said earlier, Mr. William Houle, president of the post-office workers of the Canadian Postal Unions, had given his complete approval in 1968.

The conditions have become entirely unbearable for the Montreal population and the effect of the delayed mail delivery in Montreal is felt throughout Canada. The statistics provided by the minister on postal services in Montreal show that they are more costly than any other similar services in other large Canadian cities.

Under the new contracts, the Post Office and Department of Communications, that is the Canadian people, will save $1,100,000. This is a clear indication that this government agency wishes to operate as efficiently as the best-run big businesses of the country.

I agree with the minister who invited the union members to take advantage of the opportunity that is offered to them and apply for jobs with the new contractors.

[*English*]

Mr. Robert C. Coates (Cumberland-Colchester North): Mr. Speaker, I have just listened to the hon. member for Gaspé (Mr. Cyr) explain the situation as he sees it. Among the things he suggested was that the situation has become untenable for the people of Montreal. A Liberal backbencher earlier in the debate said that he wished to call a spade a spade, and I agree with him in that regard.

• (11:20 p.m.)

I agree with the hon. member for Gaspé because I believe the situation in the Post Office Department has not only become untenable for the people of Montreal but it has become untenable for the people of Canada. The main reason for this situation is the Minister of Communications (Mr. Kierans). I do not think there is any doubt that if the Minister of Communications or any of his public relations people were to go across the country and ask the people of Canada who was the best-known individual in the Trudeau government, some might not know who Mr. Trudeau is but all would know who the Minister of Communications is.

They might have something else to say; they might say that he is the most disliked man to ever hold a portfolio in the history of this country. That is as it should be, for since this government was elected on June 25, 1968, there has been a catalogue of failures so far as public relations in the Post Office Department are concerned. Time after time this House is faced with a crisis because the Min-

ister of Communications has foot-and-mouth disease. There are times when he cannot even take the time to take one foot out and put the other in.

This situation is a sad commentary on the government, the more so because it will not get better. I believe that the greatest thing that can happen to the people of Canada is to have the Post Office Department made a Crown corporation, because by doing that they will get rid of the Minister of Communications. That would be a grand day for everybody in this country, and for good reason. Here we have a situation wherein negotiations are supposed to be going on with the employees, and we have the minister suggesting that he will find 350 unemployed people to take the place of those who have held positions for many years and felt they had job security until the minister opened his big, fat mouth again and put his foot in it.

Here we are on Wednesday evening at 11.25 p.m. talking about the Post Office Department, when if almost anyone else held the portfolio in question we would not have to be here because the crisis would not be upon us. It is a sad situation for the people of Montreal. It is a sad situation for the people in my constituency, especially my rural constituents who have witnessed the closing down of 25 post offices, the elimination of service after service that has always been available to them and having reduced service at greater cost. Everything that you would imagine a government would not do, this government has done. Why? Because this minister who comes from the city of Montreal has no appreciation or understanding of what it is like to live in a rural community. Apparently he has no appreciation of what it takes to run a business in this country and what is even worse, apparently he does not care.

This government has been referred to as a plastic government, a government without heart, a government without blood in its veins. Never was there a better example of that type of administration than in the performance of the Minister of Communications. He cares not one iota for the problems of the people in the rural communities of this country. He apparently cares not very much more for the business community in this nation, because he allows unthinkable things to happen within his department. Instead of correcting the situation and allowing his negotiators to try and solve the situation, he makes public utterances on behalf of himself and no one else which make it impossible for the negotiators to do their job.

I can think of nothing worse than to be a negotiator involved in postal matters in the Department of Communications working under the present minister. It is a wonder he has any negotiators left. I just shake my head every time I go home, because my constituents come up to me one after another complaining about this, that and something else concerning the Post Office Department. The minister tells us the same thing every time; he tells us he is saving money.

Mr. Kierans: Is that bad?

Mr. Coates: It is bad the way you do it, my friend; it is mighty bad. I will tell you something else. If the Minister of Communications would ask the people of Canada what should be done, they would say, "Put the Post Office back the way you found it in 1968, and we will gladly pay the extra money because we will have some services once again."

Mr. Kierans: You do not mean 1968; you mean 1868.

Mr. Coates: The minister says I mean 1868. I tell the minister he can set up all the Liberal backbenchers he likes and they can read ad infinitum in extolling his virtues; and when they are all through, the sum total of the improvement they will make to his public image will be a big, fat zero—because he is dead; he is as dead as any man has ever been in the history of Canada so far as politics are concerned. I am not quite certain about that, because the Minister without Portfolio from Saskatoon-Humboldt (Mr. Lang) is matching him or running a close second, especially after his performance on Tuesday afternoon.

Never in the history of Canada has such a catalogue of failures in such a short period of time been placed before the House of Commons for consideration as we have had in respect of this minister. He is in hot water all the time. One would think the minister when shaving in the morning would stop, take a good look at himself and say, "Maybe somebody in Canada besides me is right. Maybe I should stop and think for a minute and consider whether all these situations in which I am embroiled are not my own doing." Perhaps he should say to himself that he is partly wrong.

If he did that, it would be a big step in the right direction and perhaps we would not be sitting here quite so often on Wednesday nights debating postal matters, talking to the minister and trying to make him aware that everybody does not live in a penthouse in the

sky which no one can reach, where no one can tell him anything or negotiate with him. Everybody in Canada receives a miserable service from a minister who gives a miserable performance and who should resign for the good of the country. This would be the greatest thing that ever happened to Canada.

[*Translation*]

Mr. Bernard Dumont (Frontenac): Mr. Speaker, a moment ago when I heard the member for Saint-Henri (Mr. Loiselle) say that people cannot breathe or live in Montreal any more, I fully agreed with him. It is probably because they vote for the Liberal party.

Later, I heard the member for Laval (Mr. Roy) say that all the members from the Island of Montreal were present this evening. I counted exactly three of them. Either the member for Laval cannot count, or he wants to make fun of postal employees. We all know that the member for Laval often laughs at farmers, but I hope he will not go so far as making fun of postal employees.

We have before the House today a motion of censure involving the Post Office and Communications Department. I would like above all tonight—as it will soon be midnight—to explain why such an explosive situation prevails in Montreal.

The department and the minister have tonight been accused of all the world's sins. It is true that the minister may suffer from political far-sightedness particularly when he states that we have only up to 1975 to bring order to the Post Office.

Perhaps he feels more comfortable in the Department of Communications from where he can better contemplate the vast spaces and dream of glamorous projects to be realized around the year 2,000. However, he should be more realistic and prove that he has his feet on the ground by settling the problems cropping up in 1970.

• (11:30 p.m.)

Thanks to him, since the revision of the postal rates, several newspapers and magazines which made it possible to bring culture to all the regions of the country have folded, and that has caused dissatisfaction throughout Canada.

Today, the labour union are aware of this problem. These magazines reached the people before the revision of the postal rates at a fair price and allowed some degree of culture to reach all the regions of the country. By wanting to put his department on a profit-earning basis, the minister is, on the contrary, accumulating a deficit which is said to be this year of the order of $70 million. Thus, the Postmaster General and Minister of Communications is automatically responsible for that dissatisfaction and for the very explosive situation that prevails in the Montreal region.

However, I suspect that several of his Liberal friends, who want his head, led him to believe that it might be possible to get the Post Office and Communications Department to pay its way, knowing that it will be difficult for him to get out of this tight spot.

And, as though to rejoice about his attitude, they advised him to increase rates, a move designed to make him so unpopular with the population that he would be forced to resign.

I must admit that the Postmaster General and Minister of Communications has had the courage to do away with patronage, particularly in rural and semi-rural communities. Small town post offices, for example, and contracts awarded for rural mail delivery are not subject to patronage as they used to be.

At least, he has this to his credit, and we hope that he has not done away with this patronage, only to replace it by another less palatable one, as we see now in Montreal, by wanting to divide up contracts in four and, possibly reduce the efficiency of the Union representing the postal employees. By reducing the Union's power, he is fueling the explosive anger that we are now experiencing.

On the other hand, a company that has submitted a tender under a fictitious name, in Montreal, leaves us nonplussed. I hope the minister will not let this patronage practice that we meet far too often, take root in Montreal.

In the field of postal service, priority should be given to the immediate needs. It is not by pretending to ignore the problems and trying to find patched-up solutions that we shall solve the problem on a permanent basis.

Besides, relying on attrition to settle a question is not a viable formula. Instead of letting his mind run upon satellites and computers and of dreaming of making his postal empire competitive with the big telecommunication corporations, the Minister should do his utmost to solve the pressing problem of mail delivery, which is appalling everywhere totally non-existent in Montreal.

The hon. Minister wanted to simplify a problem which seemed unsolvable and try an

accounting type of approach. He first decided to raise postal rates. Then, he did away with mail delivery on Saturday. Then, as a next step, he denied to a great number of publications the privilege to remain in the category to which they ought to belong, thus raising a general outcry. As for us, from the Ralliement Créditiste, we had at that time, warned the hon. Minister against his mistakes. I have here a statement from the Committee of fair postal rates and if union representatives are not satisfied with the administration of the Postmaster General and Minister of Communications, I would say that they are not the only ones in Montreal. Also, among others, the Canadian Federation of Agriculture, the Canadian Labour Congress, the Canadian Society of Public Welfare, the Union Co-Operative of Canada, grouping ten other organizations, which are the Canadian Association of Home Economics, the Canadian Consumers Association, the Canadian Association of Industrial Editors, the Canadian Association of Social Workers, the Indian and Eskimo Association, the Canadian Council of Urban and Regional Research, the Canadian Federation of Professional Women's Clubs, the Canadian Federation of Teachers, the Chemistry Institute of Canada and the Scouts of Canada have expressed their dissatisfaction to the minister. The responsibility for the explosive conflict in Montreal is not that of the unions alone since all the organizations that I have just mentioned had warned the Minister that the situation was deteriorating.

What had they recommended to correct the situation that we are now experiencing and to stop the criticism to which the Minister is subjected? First of all, they had asked that third class rates applicable to organization publications be brought back to the level of the second class commercial publication rates. As the Minister claims that commercial publications are now paying their fair share, there is apparently no justification for charging higher rates to organization publications when the handling of such mail is the same in both cases. They had then asked that the periodicals of associations be considered as a separate group within the third class mail.

Finally they wished that the present rate classification of 10,000 units for bulk delivery be lowered further to the same level as before, with regard to the rules for third class mail. Since the minister refused to comply with those requests, he caused dissatisfaction throughout Canada. All those organizations are almost happy to witness this explosive situation and the minister does not get any sympathy. Seeing he refuses to admit all those facts, there is only one thing left for the minister to do. He should have the courage to do what the ex-Minister of Transport (Mr. Hellyer) did and resign from his post.

His refusal to admit his mistake has created an intolerable and disastrous situation which, to my mind, can become very dangerous because of the abuses it could lead to from both sides.

Finally, as several of his colleages and so-called liberal friends want his hide at all cost, because his good friend René Levesque, former member of the liberal party, does not protect him, he should like the former Quebec Minister of Justice and the former Minister of Transport, resign from his post in order to be able to leave the liberal party with dignity and say: "I leave happy."

[*English*]

Mr. Knowles (Winnipeg North Centre): Do you want him in your party?

The Acting Speaker (Mr. Béchard): Order. Pursuant to Standing Order 26 (13), I am satisfied that the debate has been concluded. I therefore declare the motion carried.

At 11.42 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Thursday, February 19, 1970

The House met at 2 p.m.

[*Translation*]

AGRICULTURE

TABLING OF FOURTH REPORT OF CLERK OF PETITIONS

Mr. Speaker: I have the honour to inform the House that the clerk has tabled the fourth report of the Clerk of Petitions.

Mr. Adrien Lambert (Bellechasse): In accordance with Standing Orders, Mr. Speaker, may I ask that the report of the Clerk of Petitions concerning the petition I filed yesterday be read in the House.

Whereupon, the Clerk Assistant (legal) read the report as follows:

The Clerk of Petitions is honoured to report that he has examined the petition of Messrs. Manscell E. Gibson and other persons, members of the Quebec Federation of industrial milk producers and of the Catholic Farmers' Union or other persons interested in dairy policies, requesting the House to hold an emergency debate on dairy policies, filed by Mr. Lambert, member of Parliament for Bellechasse, on February 18, 1970, and he finds it to be consistent with the requirements of the Standing Orders, with regard to its form.

Respectfully submitted,
The Clerk of Petitions.

ROUTINE PROCEEDINGS

VETERANS AFFAIRS

STATEMENT BY MINISTER ON COMMEMORATION OF 25th ANNIVERSARY OF END OF SECOND WORLD WAR

Hon. Jean-Eudes Dubé (Minister of Veterans Affairs): Mr. Speaker, hon. members are doubtless aware that next May 8 is the 25th anniversary of the end of World War II in Europe. In this connection, I would like to announce to the House the Government's plans to commemorate this occasion. It marks a great moment in Canadian history, as Canadians played an illustrious part in the events leading to this day of liberation for the Old World in 1945.

May the eighth this year falls on a Friday. The Government plans to hold a colourful and impressive ceremony that evening on Parliament Hill. Veterans of World War II and their present-day counterparts will participate. They will lead the country in paying homage to the 44,893 Canadian men and women who sacrificed their lives in the bitter five-year struggle to preserve freedom in Europe and in the world. We are hoping the people of the national capital region will want to take part in the occasion personally and that the people of Canada will be able to share in it via television and radio. Maybe the young people of Canada will feel a more intense pride in their country if they become involved in this simple, moving ceremony of remembrance in the shadow of the Peace Tower.

• (2:10 p.m.)

However, we have not planned to hold only a memorial service. Those members of the House who recall May 8, 1945—and especially those who were serving their country at the time—will remember the wild wave of jubilation that surged through the hearts of free men everywhere in the world. The wistful words of one of the most poignant songs of the war had come true. The lights had gone on again all over the world.

So we hope our proposed VE-day ceremony on Parliament Hill will also close on a note of thanksgiving and hope.

I might add, Mr. Speaker, that various local and national ceremonies will be held in Western Europe this spring, and in cases where Canada has been invited to take part we will be suitably represented and announcements in this regard will be made from time to time.

We are not aware of any inter-allied ceremonies scheduled for this time in Europe. However, if we were to be invited by any of our World War II allies to participate in their commemoration ceremonies, I am sure the House would want Canada to play its part, with the enthusiasm and dedication which helped create the original Victory-in-Europe Day.

The House can be confident, Mr. Speaker, that it will be advised if any such inter-allied plans should develop.

[*English*]

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, I feel it a distinct

honour to comment on the minister's announcement of the government's intention to commemorate on May 8 the 25th anniversary of the end of World War II in Europe. The commemoration of this historic event, while it will give us an opportunity to pay homage to the 45,000 Canadian men and women who lost their lives in war, will also remind us, I hope, of our duty as citizens of this great dominion to reflect on those veterans who, although they offered their lives, still remain with us and are reaching the twilight years of their lives incapacitated and dependent on those who lead the nation and are responsible to provide the proper care which these people deserve.

In our present world of strife and turmoil, and even with the evidence of apparent problems which Canadians face at this very moment, not the least of which is our striving for national unity, I hope this anniversary will remind us of the reasons we have become a great nation. Those men and women who died on the battlefield, together with those of us who remain, fought side by side as comrades regardless of race, creed or colour and defended the free world and their own nation against one of the greatest tyrannies in the history of mankind, not as different religious groups looking for preference in our society but in the same colour uniform, as Canadians.

I hope the services planned for this significant memorial will not only bring representation and participation of veterans from across our great dominion, but will also bring together in a spirit of comradeship those of us who represent different political philosophies as a declaration of unity in remembering those veterans who gave us the freedom to govern all Canadians.

Mr. Arnold Peters (Timiskaming): Mr. Speaker, let me first of all congratulate the minister for setting up suitable ceremonies to help us celebrate the 25th anniversary of the end of the second world war. I appreciate that arrangements for certain of the ceremonies which will be held by some of the nations which fought in that war have not been completed yet. We look forward to Canada being represented in that community of nations in a suitable manner and by suitable veterans.

Canadian servicemen and women made a great contribution to victory in that war. Let us really show our appreciation as a nation by increasing war veterans pensions and allowances in order to demonstrate our regard for the sacrifices they made on behalf of us all.

Some hon. Members: Hear, hear.

Mr. Peters: After 25 years, almost 50 per cent of our population does not remember the last war. This will surprise many of us. It throws an extra task on those who have the responsibility for looking after the veterans of that war; they must explain to the nation the reason that war was fought, and draw attention to the sacrifices which were made by Canadian men and women to establish peace, as they hoped, for all time.

Peace cannot be established by pacifism. We must be willing to fight for it and make sacrifices for it.

Some hon. Members: Hear, hear.

Mr. Peters: If these ceremonies are to be truly representative of the Canadian nation we shall have to tell the young people of Canada that though war is a disaster for everyone there are times when it is absolutely necessary in order to ensure the peace which we all desire. It seems that many people across the world have forgotten this in terms of the United Nations and the reason it was set up. Part of our responsibility in the course of these ceremonies must be to inform our young people of the reasons for the sacrifices made by our veterans and to remind them of our responsibility to make those veterans who remain with us comfortable in the remaining days of their lives.

Some hon. Members: Hear, hear.

[*Translation*]

Mr. René Matte (Champlain): Mr. Speaker, we derive great pride from our contribution to the defence of liberty in Europe. However, we grieve for the 44,893 Canadian men and women who lost their lives thereby. It was indeed somewhat ridiculous that a small population should have sent a few thousand of its citizens to defend millions of people. Our technical and financial assistance should have been enough. We can remember the famous plebiscite on conscription which fully support my opinion.

I have no desire to minimize the value of the heroic deeds of those Canadians who made the sacrifice of their lives. I do, however, want to express the wish, on this anniversary, that a similar effort be made, but this time for peace.

Some hon. Members: Hear, hear.

Mr. Matte: The funds and the production which helped us to win the war would also certainly have created the peace we all long to see prevail throughout the world.

The Social Credit methods applied in wartime can just as well apply in times of peace.

Some hon. Members: Hear, hear.

[*English*]

Mr. Goode: On a point of order, Mr. Speaker—

Mr. Speaker: I understand the hon. member wished to be recognized on the first item of business for the purpose of presenting a report. Is it agreed that we allow the hon. member to present a report?

Some hon. Members: Agreed.

• (2:20 p.m.)

FISHERIES AND FORESTRY

First, second and third reports of Standing Committee on Fisheries and Forestry—Mr. Goode.

[*Editor's Note: For text of above reports, see today's Votes and Proceedings.*]

[*Translation*]

POST OFFICE

ANNOUNCEMENT OF ESTABLISHMENT OF NATIONAL POSTAL CODING SYSTEM

Hon. Eric Kierans (Postmaster General and Minister of Communications): Mr. Speaker, I would like to make an announcement concerning the Post Office's plans with regard to a national postal code, and at the same time, to table copies in both languages of a report titled, "A Canadian Public Address Postal Coding System".

As hon. members will recall, last July the Post Office engaged the consulting firm of Samson Belair Riddell Stead Inc. to carry out a study of a possible national postal code. Their report was completed last December and as a result we intend to implement a national public address postal code.

Several countries now use, or plan to use postal codes, among them the United States, Britain, Germany and Japan. The code which has been designed for Canada will be unique. It will provide great flexibility, precision, and be able to accommodate changes in population distribution.

[*English*]

The code itself will consist of six alphabetical and numerical characters. The first three characters will be used for forward sortation, that is, they will describe the area to which the letter is being sent. As an example—and this is purely an example—the address code of a letter mailed to a customer in Scarborough, Ontario, could begin with the letter "T" to designate the Toronto coding region and be followed by the numerals 8 and 7 to designate both Scarborough and the appropriate postal station. The last three characters of the six-character code will describe the local delivery unit, which might be an apartment building a street block and so on.

Implementing the code will take time and a considerable amount of work. Detailed planning will commence very shortly. Discussions will be held between officers of the department and interested groups across the country with the object of ensuring that the code, as finally designed, will meet as many customer requirements as possible. These meetings will begin shortly.

The basic design of the national code will be completed by November, 1970. Implementation will begin with a detailed pilot project scheduled to start in April, 1971. A period of testing and analysis will be followed by implementation in other cities. Ottawa is likely to be chosen as the test site because the new postal terminal due to be opened here this summer will include facilities to test new models of equipment, thus enabling us to examine the performance of the code under existing as well as future conditions.

[*Translation*]

Finally, Mr. Speaker, I would like to congratulate the staff of the Canada Post Office on the speed with which this particular project has moved and on the scope of the task that they have undertaken. A permanent public address code will be a major factor both in increasing the productivity of the Post Office and in improving the quality of service which we will be able to provide the public.

The national code will entail an upgrading of job skills in Post Office and bring about a reduction in the number of routine tasks. Before the code goes into effect, there will be full consultations with the different unions or associations representing employees concerned.

Montreal Post Office Strike

[*English*]

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I may say I do not have the facilities for comment in a technical sense that the minister has. He has his statement, his summary, his summary of the summary, and the press release all ready.

It is my nature and temperament, Sir, to prefer to commend rather than condemn, and I will do my best to be commendatory on this subject, which must be quite a diversion for the minister considering some of the problems he is having in his department in some parts of the country.

It can be said, however, that despite the brilliance of the press release this is not a trail-blazing experiment because, as the statement points out, many countries are already using zipcodes and there is not, so far as I can learn, complete unanimity as to the efficacy of this particular device. As one of my colleagues in front of me has just observed, the public has been zapped and now the Post Office is being zipped.

It can be said, however, and we want to analyse these announcements—I think that is our job, Mr. Speaker—that considering the ills of the Post Office, aggravated in the last two years by the minister's brash, brusque and bull headed efforts at reform, the introduction of a zipcode can hardly be considered as a major remedial measure. It is like expecting a very sick patient to be improved, not by a prescription but by the doctor conveying to him the number of that prescription.

I note that the minister has indicated in his statement that this study by yet another task force group was initiated in July, 1969. I recall receiving from the Post Office Department a publication dated May, 1969, in reference to zoning in Toronto, which indicated:

> I am sure that you will be interested in knowing that the numbers have been set up in such a way as to eliminate the necessity of any changes over the next thirty years.

Some hon. Members: Oh, oh!

Mr. Macquarrie: No matter how many digits, Sir, appear in the zipcode, I submit the movement of mail will not be expedited if we have a system whereunder it lies around immobile for two days out of seven in all regions of Canada except the rural areas. The folly of blocking out the movement of mail on Saturday as a mail day in non-rural Canada is one of the major problems, perhaps next in importance only to the minister's concept of labour relations as the most serious problem facing the Post Office. If perchance, and despite all the stillborn reforms of the last two years, the introduction of the zipcode does help we will, praise God, rejoice.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, it is difficult to comment on a statement made by this minister and retain any semblance of politeness. Here is a minister under whom the service given to the public has been reduced to five days a week and the rates charged to the public have been increased substantially. Here is a minister who has been in constant and permanent conflict with all the employees of the Post Office. He is at the moment in open conflict with members of the CNTU in Montreal. Having gone to arbitration with postal employees organized in CLC unions, he is now challenging the ruling of the arbitrator. Under his jurisdiction a new six-cent stamp has been issued which is difficult to use.

• (2:30 p.m.)

In short, Mr. Speaker, everything the minister has touched up to now has been a failure. I have hopes, Mr. Speaker, that this cannot continue forever, although that may be wishful thinking and may be too charitable in the light of the minister's record. But I hope the minister cannot continue to fail at everything, so I join him in the hope that he will succeed in respect of the proposal he has announced today. May I say to the minister that my colleague and deskmate, the hon. member for Surrey, has suggested to me he hopes the zipcode will not become a zapcode.

[*Translation*]

Mr. André Fortin (Lotbinière): Mr. Speaker, the Postmaster General and Minister of Communications (Mr. Kierans) has informed us today that his department will adopt a permanent coding system for mail delivery.

Mr. Speaker, the first thought that comes to my mind is that the department should first operate and deliver the mail before adopting a coding system.

This project represents a technical improvement which really copies what has been done in the United States and in other countries. Without innovating in the field, we are in fact trying to improve the delivery system with all possible means. We can only congratulate the minister for his initiative, but on the other hand I would like to take this opportunity to encourage him to consult with the other ministers in order to ensure not only better

mail delivery but also a more decent income to dairy producers by means of more substantial subsidies to be distributed to them through the Post Office.

If the minister would suggest this two-fold solution, namely a better coding system and more substantial subsidies, I think that the population would be happy.

[*English*]

INDIAN AFFAIRS

SUPPLYING OF WHEAT TO MÉTIS—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION UNDER S.O. 43

Mr. A. C. Cadieu (Meadow Lake): Mr. Speaker, on the ground of urgent and pressing necessity I ask unanimous consent of the House to move a motion based on the following facts. More than 879 Indians and Métis families in northern Saskatchewan are faced with starvation. They need help from any available source. Yet, when members of the Saskatchewan Farmers' Union as long ago as December were prepared to make available to them several thousand bushels of wheat, the Indian and Métis families were prohibited by Wheat Board regulations from making any use of this humanitarian offer. These people live under extremely adverse conditions and the government must move quickly to help them. I move:

That the government immediately take such measures as are necessary by law to permit the members of the Saskatchewan Farmers' Union to give several thousand bushels of wheat to Métis families in northern Saskatchewan and to permit the Métis committee of Saskatoon to make lawful arrangements to grist such grain and distribute the flour to the starving Métis and their families.

Mr. Speaker: Hon. members have heard the motion proposed by the mon. member for Meadow Lake. The motion can be put to the House and debated this day only if there is unanimous consent.

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimous agreement. Under the circumstances the motion cannot be put.

Mr. Hales: Mr. Speaker, on a point of order, when you call for unanimous consent of the House and it is not definite whether there is opposition, I think any member who is opposed should rise in his place so we will know who he is.

Some hon. Members: Hear, hear!

Mr. Speaker: I would think that, generally speaking, this is a very good suggestion, but when there is a clear "no" the situation would appear to be different. If it will satisfy hon. members I will again ask whether there is unanimous consent.

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: Hon. members have heard many "no's".

An hon. Member: All on the Liberal side.

BUSINESS OF THE HOUSE

On the order: Motions:

Mr. Beer (Chairman of the Standing Committee on Agriculture):

That the First Report of the Standing Committee on Agriculture, presented to the House on Tuesday, February 17, 1970, be concurred in.

Mr. Speaker: Order, please. Before the motion is put I understand the hon. member for Winnipeg North Centre is rising on a point of order.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, my point of order relates to the time when this motion might be put. I believe there is a general understanding that the motion is to be debated and that the debate may take about an hour. I wonder whether there could be unanimous consent for this to take place after the oral question period.

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, the understanding indicated by the hon. member is substantially agreeable, but I should like it understood that we are agreeing to have this debate at the end of the oral question period and immediately before government orders are called so that the opposition motion today will retain its first place under government orders.

Mr. Speaker: Is it agreed?

[*Translation*]

Mr. André Fortin (Lotbinière): Mr. Speaker, we agree, account being taken of the agreement already concluded to the effect that the opposition day will be respected and that in principle we will be allowed an equivalent period of time with respect to the extended sitting.

[*English*]

Mr. Speaker: The suggestion now made by the hon. member for Lotbinière is not exactly the same as the proposal of the President of the Privy Council.

[*Translation*]

The hon. member for Lotbinière (M. Fortin) suggests that the time spent on consideration of the motion proposed by the hon. member for Peel-Dufferin-Simcoe (Mr. Beer) be added to the time allowed for consideration of the motion moved by the hon. member for Bellechasse (Mr. Lambert).

[*English*]

Is this the proposition which has now been made to the House?

Mr. Macdonald (Rosedale): Mr. Speaker, there have been additional discussions to which I would have referred had we dealt with the allotted day motion. The discussion related to the speeches today and two proposals which I believe might be found to be generally acceptable. The first is that except for the initial prime spokesmen, who would have extra time in speaking to the opposition motion, other speakers would be confined to 15 minutes. Second, so that the hon. member for Bellechasse and his colleagues will not be confined in presenting their motion under the allotted day procedure it is proposed that the House should sit from seven o'clock until ten o'clock this evening. One hour would be taken off the dinner recess in order to make certain that all hon. members would have an opportunity to participate.

If we could roll this up in one large procedural motion it would be, first, that the chairman of the Standing Committee on Agriculture would be allowed to present his motion immediately after the oral question period; second, the debate on that motion would last not longer than one hour; third, the length of time for speeches on the opposition allotted day motion would be confined to 15 minutes except for the prime spokesmen; fourth, the House would sit from seven o'clock to ten o'clock instead of from eight o'clock until ten o'clock.

Mr. G. W. Baldwin (Peace River): Substantially we are in agreement with the President of the Privy Council, but in respect of the confinement of the debate on the motion of the Parliamentary Secretary to one hour I would point out that I believe it is agreed there should be one speaker from each party but there is no real certainty that the debate would be completed in one hour. Hopefully, the speeches will be of such duration that one hour will be sufficient, but it could be a longer period. If the time were set at one hour this might inhibit some speakers. I think we can agree to there being one speaker from each party.

Mr. Macdonald (Rosedale): My omnibus suggestion is amended to that extent.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, the total package as now before the House has our support.

[*Translation*]

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, it seems to me that we all agree, and we should not waste more time to agree on something about which we came to an agreement.

Mr. Speaker: I must confess that this is not all very clear to me, but it seems that there is agreement. If there are difficulties later, we will tackle them and try to solve them with the co-operation of all hon. members.

• (2:40 p.m.)

[*English*]

ORAL QUESTION PERIOD

CANADIAN SOVEREIGNTY

ARCTIC WATERS—STATEMENT BY PRESIDENT NIXON—DECLARATION OF CANADIAN POSITION

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I have a question for the Prime Minister. In view of the statement made yesterday by President Nixon in his foreign policy speech to Congress that "the most pressing issue regarding the law of the sea is the need to achieve agreement on the breadth of the territorial sea, to head off the escalating national claims over the ocean", will the government now proclaim Canada's sovereignty over our Arctic waters in clear, unmistakable terms so that we do not lose that sovereignty by default because of our continued silence on this matter?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, if I may be permitted to answer the question put by the hon. gentleman, let me say that we do not claim sovereignty over any waters that have been regarded as the high seas, except possibly where there has been an extension of territorial waters or inland waters as the result of the application of straight baselines.

It would be difficult to argue that the Arctic waters between Canadian territory have been regarded as part of the high seas. Indeed, the experimental voyage of the *Manhattan* in our waters, conducted with our acquiescence and our co-operation, is evidence to the contrary. So the President of the United States could not have been referring to Canada.

Mr. Hees: I have a supplementary question, Mr. Speaker. As there have only been answers of varying degrees of vagueness, will the government in the very near future make a clearcut statement on this matter so that everybody in Canada and, indeed, everybody in the world can understand where we stand? Also, do the minister and the Prime Minister not consider it is about time we spoke out to the United States in clear, courageous terms instead of continuing to use the fawning, cap-in-hand attitude that this government has always adopted toward the United States in controversial matters?

Mr. Speaker: Order, please.

[*Later:*]

Mr. S. Perry Ryan (Spadina): I have a supplementary question for the Secretary of State for External Affairs. Are we to take it that Canada is abandoning any claim to the permanent ice beyond the 12-mile limit in the Arctic area?

Mr. Sharp: I do not understand the question. In the answer I gave to the original question put to me I indicated that we do not regard the waters between the Canadian islands as the high seas.

EXTENSION OF FISHING ZONES TO INCLUDE CONTINENTAL SHELF

Mr. Frank Howard (Skeena): My supplementary question to the Secretary of State for External Affairs is related in general to this matter. When is the government going to move to put into effect the unanimous recommendation of the Standing Committee on Fisheries and Forestry that we extend our fishing zones to include the continental shelf?

Hon. Mitchell Sharp (Secretary of State for External Affairs): I cannot answer that particular question but I can say that the government has now under consideration legislation relating to both fishing and pollution. I hope that it will be presented soon.

[*Later:*]

Mr. Howard (Skeena): I have a supplementary question for the Secretary of State for External Affairs. Will he make available to the House, by tabling or by some other method, the draft agreement with the United States regarding fishing privileges in each other's fishing zones?

Mr. Sharp: As the hon. member knows, since he referred to it as a draft agreement, it has not yet been approved by the Canadian government. It was simply agreed to in draft at the conference and the Canadian government has not yet decided whether to sign it.

NORTHWEST PASSAGE—FLYING OF CANADIAN FLAG BY FOREIGN SHIPS

Mr. W. B. Nesbitt (Oxford): My supplementary question is directed to the Secretary of State for External Affairs. Will the government of Canada require that any foreign ships, American or otherwise, going through the Northwest Passage fly the Canadian flag as an outward and visible sign of inward and spiritual grace?

Hon. Mitchell Sharp (Secretary of State for External Affairs): It is not customary for ships to fly the flags of the waters in which they are travelling. Sometimes they do it as a matter of courtesy, but it is not required by international law, or by our law, so no inference can be drawn from such gestures.

PHASING OUT OF CERTAIN ACTIVITIES OF FOREIGN FISHERMEN

Mr. Lloyd R. Crouse (South Shore): I have a supplementary question for the Secretary of State for External Affairs. When can we expect a statement on the phasing out of the fishing activities of the eight large fishing nations which now operate between the 12-mile and the 3-mile territorial limit off Canada's east coast, as promised in 1964?

Hon. Mitchell Sharp (Secretary of State for External Affairs): It is my understanding that the negotiations are continuing. I am afraid I cannot give the hon. member a definite answer as to when they will be concluded.

GRAIN

ACTION TO IMPLEMENT DONATION OF WHEAT BY FARMERS TO FEED MÉTIS

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I should like to direct a question to the Minister without Portfolio in charge of the Wheat Board regarding the representations which have been made to him

by Dr. Howard Adams, the president of the Saskatchewan Métis Association, pointing out that there are some 800 Métis families facing hunger and that the members of the Saskatchewan Farmers Union have offered to donate wheat to be milled at a nominal cost by the local millers for distribution to these needy families. In view of the fact that the Canadian Wheat Board have indicated that it is not their responsibility to make a decision regarding this matter, I want to ask the minister whether he has discussed it with his colleagues, and is the government prepared to make the necessary arrangements so that these donations of wheat can be used to feed these hungry Métis families?

Hon. Otto E. Lang (Minister without Portfolio): I am sure my colleague, the Minister of National Health and Welfare, might want to comment on the facts behind the statement. When I met with Dr. Adams some time ago to discuss this issue, he indicated to me that some 750 replies to a questionnaire had been returned at that time, indicating that the Métis families would be glad to receive donations of bread. We agreed that it would be a shocking thing in Canada for people to remain hungry, especially in view of the progress we tend to believe we have made in making plans and governmental assistance available to these people. We agreed that the appropriate thing to do was to see that the government agencies took the proper steps to ensure that the Indians or Métis in question received food, which then could be purchased in the ordinary way so that farmers could receive money for their products rather than be pressured into generosity by giving the product to help the needy people. Dr. Adams indicated to me that so far as his evidence was concerned, he saw no defect or failing in the federal government's plans with regard to the assistance being made available to the needy people in northern Saskatchewan.

Mr. Douglas (Nanaimo-Cowichan-The Islands): In view of the fact that no arrangements have been made by the Minister of National Health and Welfare or any agency to feed the 879 families to whom Dr. Adams has referred, is the minister prepared to make the necessary arrangements with the Wheat Board so that bureaucratic red tape will not prevent the farmers who are willing from donating wheat to feed these families until some other arrangement is made by the government, if it ever gets around to assuming that responsibility?

[Mr. Douglas (Nanaimo-Cowichan-The Islands).]

Mr. Lang: As I indicated, I think that the determination of the actual facts is, of course, the first step to take, and no one would want to stand in the way of seeing food moved to people in Canada who require it. None the less, I repeat that it seems to me that the first and most logical method would be to ensure that whichever government is responsible for giving assistance to people in Canada who need food should face up to that responsibility.

Right Hon. J. G. Diefenbaker (Prince Albert): I have a supplementary question, Mr. Speaker. Did the minister see the letter that the Wheat Board wrote to this group of people who were trying to do something to relieve the hunger of some 700 or 800 Canadians? As the hon. member for Meadow Lake and the hon. member for Nanaimo-Cowichan-The Islands have said, they asked for the right to mill. They applied to the Wheat Board on January 6 for a milling permit and received on January 22 a negative reply in these words, and I ask him if he has seen this statement?

> We recognize the serious Indian-Métis problem but feel it is not the responsibility of our board, a marketing agency, to make decisions of this kind regarding charitable relief.

Did the minister see that?

Mr. Lang: I believe that letter was shown to me by Dr. Adams and the committee of the National Farmers' Union when I met with them in Saskatoon in late January.

Mr. Diefenbaker: Is it not a fact, this having been brought to the attention of the minister on January 24, that he advised them that they would hear from him shortly but not a word has been passed regarding this serious situation within our own country? Is that right?

Some hon. Members: Shame!

Mr. Lang: Mr. Speaker, I did indicate to him that I considered it a matter deserving immediate attention and I did immediately ask my officials to look into it as far as the federal government is concerned to confirm that we were in fact carrying out our proper responsibility in this area. I did also make some other contacts in other directions.

Mr. Diefenbaker: While this is going on these people starve. I ask the minister this. Will he not do something to bring before the House, if it has to be done, an amendment to

permit charitable assistance to be given to these people in the absence of action on the part of the government?

Mr. Lang: I should like to repeat, Mr. Speaker, that it seems to me that responsibility for seeing that assistance is given to these people rests either with the people of Canada or with the people of a particular area of the country, probably with the financial obligation shared by the people of Canada, and that the obligation should not necessarily rest on farmers or a group of farmers when they themselves very badly need the cash.

Mr. Speaker: Order, please. I believe the hon. member for Nanaimo-Cowichan-The Islands, who brought the matter up in the first instance, wanted to ask a supplementary question. Perhaps he might now be allowed to ask his supplementary.

Mr. Douglas (Nanaimo-Cowichan-The Islands): I should like to ask the minister, in view of the fact that the Wheat Board regulations now allow a farmer to take 50 bushels of wheat to a local mill to be ground into flour, whether the minister would consider having the Wheat Board regulations amended to allow a group of farmers to take wheat to a mill for grinding, particularly in view of the fact that they want to use it to alleviate human suffering? Is the minister prepared to have that amendment made in the Wheat Board regulations?

Mr. Lang: I would be willing to discuss that particular approach with the Wheat Board. However, it does lead to rather difficult problems in connection with the whole enforcement of orderly delivery of wheat and it becomes very difficult to police. Flour milled in this way could get into commercial channels and interfere with ordinary sales. I would ask hon. members to join with me in agreeing that this flour ought to be purchased for any needy people.

Mr. Speaker: Order, please. I wonder whether the hon. member for Meadow Lake should not be allowed to speak. I said a moment ago that the hon. member for Nanaimo-Cowichan-The Islands had brought the matter up in the first instance, but of course I had overlooked the fact that the hon. member had a motion under Standing Order 43. Perhaps he ought to be recognized now.

Mr. A. C. Cadieu (Meadow Lake): Mr. Speaker, my question to the Minister without Portfolio is supplementary. He talked very generously about what these people should be allowed. He realizes, I am sure, the fact that 100 pounds of flour cost in the neighbourhood of $9 and that these people get very small welfare payments. I should like to know if the minister will take immediate steps to correct this scandalous situation.

Mr. Speaker: The right hon. member for Prince Albert.

Mr. Diefenbaker: Mr. Speaker, because of the intense complexity of the answer given by the minister I should like to ask whether he is suggesting that because the western farmer is in such difficulty financially he ought not to be permitted to endeavour to give charity to those who are in greater need?

Mr. Lang: Mr. Speaker, if I might put it simply for the right hon. member, the issue really is whether the wheat which is required for flour for anyone in Canada ought not to be purchased from the western farmer and made available to those who need it in that fashion.

Mr. Diefenbaker: Inexcusable bureaucracy.

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, since the whole question of whether or not the government will act depends upon changes in the Wheat Board regulations, does the minister now invite representations from individuals as far as those changes are concerned, and will the agricultural committee have an opportunity to make their views known on any changes? Also, will these changes be made prior to or following introduction of amendments to the Canada Grain Act?

Mr. Lang: A number of changes may well be proposed prior to the introduction of the Canada Grain Act. I will take the other representations of the hon. member under consideration.

Mr. Lorne Nystrom (Yorkton-Melville): A supplementary question to the right hon. Prime Minister, Mr. Speaker. Can the Prime Minister assure the House that the federal government will undertake immediate action to alleviate this problem, for example, by purchasing an adequate supply of grain?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I have been discussing with the Minister of National Health and Welfare the possibility of using emergency welfare measures in this particular case and if this is

possible we will do so. It remains, however, that the long-term policy as stated by the Minister without Portfolio is the correct one.

Mr. Frank Howard (Skeena): Mr. Speaker, I should like to direct a supplementary question to the Minister of National Health and Welfare. In light of the statement by the Minister without Portfolio in charge of the Wheat Board that basically the grain should be purchased from the farmers, would the Minister of National Health and Welfare, who is so tremendously concerned about the health of the people of this nation, undertake to buy the wheat?

Hon. John C. Munro (Minister of National Health and Welfare): Mr. Speaker, I think that is precisely what the Prime Minister indicated a few minutes ago, that emergency welfare is prepared to look into the situation and in combination with the provincial welfare authorities to get relief through as quickly as possible.

Mr. Howard (Skeena): A further supplementary question, Mr. Speaker. Inasmuch as this situation has existed for at least a couple of months now, does the minister not think it should have been discussed before now and some conclusion reached?

Mr. Munro: If it has been going on for so many months I am afraid the hon. member's concern—

Mr. Speaker: Order, please. The hon. member for Shefford.

[*Translation*]

AGRICULTURE

DAIRYING—POLICY RESPECTING GRANTS

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I wish to thank you for giving me the opportunity to remind the House that in Canada we need wheat and milk to live and that in agriculture there are problems with regard to these two commodities.

I have a question for the Prime Minister. Bearing in mind the discussions which took place during the recent federal-provincial conference and since the Prime Minister and his cabinet did not give way to the provincial requests and kept all the money to themselves, does the Prime Minister intend to adopt the same attitude towards the dairy industry and refuse to grant any subsidies to the milk producers in Quebec?

[Mr. Trudeau.]

Mr. Speaker: Order. I will allow the minister to answer the question but the hon. member will agree that we have spent the best part of the day discussing problems he has raised. However, the question has been asked and because it is an important one, the minister might answer to it.

[*English*]

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, the policy of the government, as I have stated a number of times, is to amend the policy for the ensuing dairy year, beginning on April 1, so as not to decrease but in fact increase the returns to the dairy farmers of Canada.

EXTERNAL AFFAIRS

CANADIAN REPRESENTATION AT INTERNATIONAL DEVELOPMENT CONFERENCE

Mr. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, a question for the Secretary of State for External Affairs. Would he tell the House whether Canada will have a representative at the important conference on international development taking place in New York starting today and whether Canada will use this opportunity to put forward its policy on the Pearson report and the Jackson report?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, the answer to the question is yes. I should also like to tell the House that after the conference at Columbia University the Canadian government is inviting the main participants to come to Canada for a private and confidential meeting at Montebello which I shall have the pleasure of chairing. We think we will have a useful opportunity of discussing the difficulties that now stand in the way of international development.

Mr. G. W. Baldwin (Peace River): A supplementary question, Mr. Speaker. Would the minister at that time give his views on the Pearson theory of Arctic sovereignty?

Mr. Speaker: Order, please.

[*Translation*]

POST OFFICE

MONTREAL POSTAL DISPUTE—INTERVENTION OF MINISTER OF LABOUR AS MEDIATOR

Mr. Georges Valade (Sainte-Marie): Mr. Speaker, I want to put a question to the Postmaster General and Minister of Communications.

Since the postal dispute does not seem about to be settled in Montreal, can the minister say whether he has received a telegram from the CTNU asking him to beg his colleague the Minister of Labour (Mr. Mackasey) to act as a negotiator in the conflict?

Hon. Eric W. Kierans (Postmaster General and Minister of Communications): Mr. Speaker, I have not received any telegram today, but I did suggest to Messrs. Parent and Beaudoin, as well as to the other officers of the CNTU, to contact my two colleagues the Minister of Manpower and Immigration and the Minister of Labour.

As for the situation prevailing in Montreal at present, it is getting a little better but this is all I can say.

Mr. Valade: Mr. Speaker, I have a supplementary.

Since the Postmaster General and Minister of Communications claims he has received no telegram, but that the CNTU have acknowledge receipt of a telegram forwarded this morning by the government, in reply to theirs, could the Minister of Labour indicate whether he received that request, or if the Postmaster General and Minister of Communications is mistaken in his reply?

[*English*]

Hon. Bryce Mackasey (Minister of Labour): Mr. Speaker, in view of the Postmaster General's Statement that he suggested to the CNTU that they contact the Minister of Labour and the Minister of Manpower, I will be pleased to meet the unions if a request has been officially made to my office. If it has, I am prepared to meet with them, and discuss general problems.

[*Translation*]

Mr. Valade: Mr. Speaker, in view of the seriousness of the situation, I would like to ask the Postmaster General and Minister of Communications whether he would not agree to refer that question to an appropriate committee of the House so that it may take into consideration some of the answers given to the House yesterday by the minister which were incorrect and contradictory, and whether the committee could not offer the minister appropriate solutions to that dispute?

[*English*]

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

Inquiries of the Ministry

POLLUTION

WATER—REQUEST THAT ALL TYPES OF CONTAMINATION BE MADE CRIMINAL OFFENCES

Mr. Randolph Harding (Kootenay West): Mr. Speaker, may I address a question to the Minister of Energy, Mines and Resources. In view of his statement yesterday regarding the Canada water bill and that the ten provinces and the federal government had agreed to make polluting by phosphates a criminal offence, would the minister's department consider making all types of water pollution a criminal offence?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, under the Canada water bill, after it is passed, there will be very severe penalties for polluting waters. Fines will be up to $5,000 per day.

An hon. Member: Big deal.

Mr. Greene: Well, it is a big deal. To some people $5,000 a day represents a lot of money; maybe it does not to the Socialist party.

Some hon. Members: Hear, hear.

Mr. Greene: I believe that in this way the government is using its powers under the Criminal Code with respect to the phosphate ban. I announced yesterday that the provinces were in agreement with respect to that. I think this is an extremely important subject. A great Canadian has taken the state out of the bedrooms of the nation; in my more humble sphere I intend to put it back into the kitchen and the laundry rooms.

Mr. Baldwin: And the bathroom.

Mr. Gilbert: You will go down the drain, Joe.

Mr. Harding: A supplementary question, Mr. Speaker. In view of a statement the Minister of Justice is reported to have made at one of the local universities last night that Canada must have national pollution standards, may I ask the Minister of Energy, Mines and Resources if national standards are the government's objective in the pollution field?

Mr. Greene: Mr. Speaker, under the aegis of the Canada water bill, and with the cooperation of the provinces in enunciating water quality management areas, I am sure we shall attain optimum qualities for all Canada's major water basins. This is what we intend to do.

Inquiries of the Ministry

LEGISLATION TO REDUCE PHOSPHATE CONTENT IN DETERGENTS

Mrs. Grace MacInnis (Vancouver-Kingsway): A supplementary question, Mr. Speaker. In view of the minister's statement yesterday that polluting by phosphates will be an offence under the Criminal Code and that manufacturers will be forced to reduce the phosphate content of detergents this year, is it the government's intention to introduce legislation during the present session to see that this is done?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, whether it is done by a separate bill or by an amendment to the water bill currently before the House, and this has not yet been decided on, it is my intention to move as quickly as possible to give notice to the detergent manufacturers so that they will have the maximum time to study their manufacturing procedures in order to comply with the bill when it comes into effect.

Some hon. Members: Hear, hear.

LOANS TO INDUSTRIES TO INSTAL MACHINERY TO ELIMINATE CONTAMINATION

Hon. George Hees (Prince Edward-Hastings): A supplementary question, Mr. Speaker. In order to make the elimination of pollution a practical possibility, did the minister advise the provincial premiers at the meetings of Monday and Tuesday that the federal government is willing to make available low interest loans to any industries that want to instal the very expensive machinery that is necessary if bacteria are to be eliminated from their waste products?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, there was considerable discussion of various measures with those charming gentlemen, the premiers, and the water ministers of various provinces. Many possibilities were discussed, but there were no specific commitments along the lines suggested by the hon. member by the federal government.

Mr. Hees: A further supplementary question, Mr. Speaker. Will the minister not consider this suggestion—

Mr. Speaker: Order, please. I must remind hon. members that we are near the end of the question period and many hon. members so far have not had an opportunity to ask questions. Perhaps with the indulgence of hon. members we might reduce the number of supplementary questions.

[Mr. Greene.]

ENERGY, MINES AND RESOURCES

PURCHASE OF YACHT-TYPE BOATS FOR DEPARTMENT

Hon. J. A. MacLean (Malpeque): Mr. Speaker, may I direct a question to the Minister of Energy, Mines and Resources. Has the government recently ordered two yacht-type boats for his department? If so, to what use will these craft be put?

An hon. Member: For summer conferences, of course.

Mr. Speaker: Order, please. I think perhaps this type of question ought to be put on the Order Paper. If it is a matter of urgency, it can be debated at the time of adjournment.

Mr. Baldwin: They will check phosphate levels, no doubt.

Mr. MacLean: Ten o'clock, Mr. Speaker.

EXTERNAL AFFAIRS

APPLICATION RESPECTING FLOODING OF LAND NEAR SKAGIT RIVER

Mr. David Anderson (Esquimalt-Saanich): Mr. Speaker, may I direct a question to the Minister of Energy, Mines and Resources. I should like to know whether his department has received an application from the Seattle Power and Light Company to flood some 6,000 acres of southern British Columbia in the Skagit valley, and whether such an application has been rejected? I apologize for raising the matter at this time; it may not seem an urgent matter to some members of the House, Mr. Speaker, but it certainly is urgent for citizens of British Columbia in view of the provincial government's recent decision to clear this valley, this recreational area, of timber in anticipation of such flooding.

Mr. Speaker: The hon. member has indicated some possible urgency, but I feel generally that this type of question ought to be placed on the order paper or discussed at the time of adjournment.

Mr. Baldwin: Ask for a ten o'clock debate. The minister has to be here anyway.

Mr. Anderson: Ten o'clock, Mr. Speaker.

THE CANADIAN ECONOMY

INFLATION—UNDERTAKING BY IBM CANADA LIMITED RESPECTING PROFITS AND PRICES

Mr. John Burton (Regina East): Mr. Speaker, may I direct a question to the Minister of

Consumer and Corporate Affairs. In view of a 94 per cent increase in its 1969 profits, did IBM Canada Limited undertake to roll back its profits or reduce prices at the most recent meeting sponsored by the Prices and Incomes Commission?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, I am not sure whether IBM was represented at the particular meeting the hon. member refers to, but there is no doubt that IBM would be covered and included within the pricing criteria of the Prices and Incomes Commission.

[*Translation*]

OIL

POSSIBLE REDUCTION IN EXPORTS TO UNITED STATES

Mr. Léonel Beaudoin (Richmond): Mr. Speaker, I should like to put a question to the Minister of Energy, Mines and Resources.

Has he been advised of the requests made to President Nixon by the independent association of American oil producers, in order to obtain a reduction of American imports of Canadian oil?

[*English*]

WATER RESOURCES

CONSULTATION WITH PROVINCES ON CANADA WATER BILL

Mr. P. B. Rynard (Simcoe North): Mr. Speaker, may I direct a question to the Minister of Energy, Mines and Resources to see if we can clear up some of this muddy water. In view of the fact many provincial premiers appear to be opposed to the anti-pollution bill, and the statement that the program appears to be a "joint" program instituted by Ottawa without consultation with the provinces, did the minister or his officials confer with the provincial governments before drafting this bill?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, there was considerable negotiation with the provinces since August last, before the bill was finally drafted. Every province was consulted and I believe every provincial minister responsible for water affairs had the opportunity of discussing the bill. I feel certain that, although the federal government and the ten provinces may not be unanimous in their views on every clause, there is nevertheless substantial accord. I feel very sure that the provincial governments and the federal government can work together towards a satisfactory water policy.

[*Translation*]

PENITENTIARIES

SAINT-VINCENT-DE-PAUL—ESTABLISHMENT OF ADEQUATE PSYCHIATRIC SERVICES

Hon. Martial Asselin (Charlevoix): Mr. Speaker, I should like to put a question to the Minister of Justice.

My question deals with the last suicide at the Saint-Vincent-de-Paul penitentiary in Montreal. Apparently, if the young man had received some psychiatric care, the suicide could have been avoided. Since eight suicides occurred in federal jails during the past 14 months, five of them at the Saint-Vincent-de-Paul penitentiary in Montreal, does the minister intend to launch an inquiry, in order to determine whether the inmates receive adequate psychiatric care?

Hon. John N. Turner (Minister of Justice): Mr. Speaker, under the circumstances, I must consult my colleague the Solicitor General who has jurisdiction on Canadian penitentaries.

Mr. Asselin: I should like to ask a supplementary question, Mr. Speaker.

Mr. Speaker: Order, please. The supplementary question will be allowed when the Solicitor General returns to the House.

[*English*]

GRAIN

NON-PRODUCTION OF WHEAT—DETERMINATION OF REASONABLE ACREAGE REDUCTION

Mr. R. R. Southam (Qu'Appelle-Moose Mountain): Mr. Speaker, I have a question for the Minister without Portfolio responsible for the Wheat Board. Can the minister indicate whether in his recent discussions with the Canadian Federation of Agriculture and the three Prairie pools on the issue of agricultural adjustment there was a determination made as to what would be a reasonable acreage reduction in 1970?

Mr. Speaker: It seems that the hon. member's question is very wide in scope. I wonder whether he would agree it would best be answered by way of a statement?

Mr. Southam: I wish the minister would make a statement as soon as possible because

the farmers are now approaching the spring seeding period and this is a very important matter.

Mr. George Muir (Lisgar): I have a supplementary question for the Minister of Agriculture. Is the minister considering calling a meeting of the provincial Ministers of Agriculture in the near future for the purpose of presenting meaningful production guidelines prior to seeding?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, I have had some correspondence respecting this matter. I also wish to advise the hon. member, as is well known, that there was a great deal of discussion on this subject between the federal and provincial governments at the recent conference.

Mr. A. B. Douglas (Assiniboia): I have a supplementary question for the Minister without Portfolio in charge of the Wheat Board. In view of the fact that the minister is meeting representatives of farm organizations later this week in Ottawa, does he now have a definite proposal to put before them with regard to incentives for reduction of wheat acreage this year?

Mr. Speaker: Again, it seems to me this is a question which has been asked.

INDUSTRY

STUDY ON FOREIGN CONCESSIONAL FINANCING

Mr. Max Saltsman (Waterloo): My question is for the Minister of Industry, Trade and Commerce. Has the minister concluded his study on foreign concessional financing and, if so, will the study be made public?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): I hope to be making a statement on that subject quite soon.

[*Translation*]

EXTERNAL AFFAIRS

DISCUSSIONS RESPECTING FLIGHTS BETWEEN CANADA AND SPAIN

Mr. Bernard Dumont (Frontenac): Mr. Speaker, I have a question for the Secretary of State for External Affairs. Did he contact the authorities of the Spanish government concerning the conflict between Canada and Spain, and could he tell us about the state of the negotiations at this time?

Mr. Speaker: The minister might make a statement on motions about the important matter brought up by the hon. member.

[Mr. Southam.]

Mr. Dumont: Mr. Speaker, may I rephrase my question more concisely so as to enable the minister to answer? Did the government of Canada refuse to allow Spanish airlines to run regular flights between Spain and Canada?

[*English*]

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I will have to take that question as notice.

STRATEGIC ARMS LIMITATION TALKS

Mr. Colin D. Gibson (Hamilton-Wentworth): Mr. Speaker, I have a question for the Secretary of State for External Affairs. Is the minister in a position to inform the House on the present standing of the strategic arms limitation talks in Europe?

Mr. Speaker: I think this is the kind of statement which should be made on motions.

POST OFFICE

INQUIRY AS TO SUSPENSION OF RURAL CLOSURES

Mr. W. C. Scott (Victoria-Haliburton): Mr. Speaker, now that it has been decided by the government to suspend planned hikes in postal rates in the interests of fighting inflation, is it also the intention of the Postmaster General to suspend the progressive closing down, in hundreds of communities across Canada, of the small post offices that mean so much to the local economy of rural Canada?

Mr. Speaker: This question is essentially a representation. It has been asked on a number of occasions in recent days.

INQUIRY OF THE MINISTRY

Mr. Melvin McQuaid (Cardigan): Mr. Speaker, I am not sure whether my question should be directed to the Minister of National Defence or the Secretary of State for External Affairs. In view of the fact the Minister of National Defence is not here, I will direct it to the Secretary of State for External Affairs. It was reported yesterday that the Parliamentary Secretary to the Secretary of State for External Affairs had stated the government would send troops into Quebec if the province's separation occurred through violence and anarchy. My question is, does the government have a plan to send these troops and, if so, how many?

HEALTH AND WELFARE

FREEDOM OF FRUIT AND VEGETABLES FROM PESTICIDE OR CHEMICAL RESIDUE

Mr. P. V. Noble (Grey-Simcoe): My question is for the Minister of National Health and Welfare. Can the minister assure the Canadian people that fruit and vegetables being offered to them, which have been produced with the use of pesticides and chemicals, do not contain any harmful residue of these materials?

Hon. John C. Munro (Minister of National Health and Welfare): Yes, Mr. Speaker, I can give that assurance, certainly not above the tolerance permitted under the food and drug regulations that we have ascertained to be safe limits.

HOUSING

CONSTRUCTION OF PUBLIC HOUSING AT MALVERN PROJECT

Mr. John Gilbert (Broadview): My question is directed to the Minister without Portfolio in charge of housing. In view of the fact there is a record now of 17,730 families in Metro Toronto requiring immediate public housing and the numbers are growing at the rate of 900 families each month, has the minister any plans to implement the agreement with the provincial government with regard to the construction of public housing at the Malvern project to solve this critical problem?

Hon. Robert K. Andras (Minister without Portfolio): I met with the Ontario minister responsible for housing on Tuesday. We had lengthy discussions about the figures which the hon. gentleman is quoting. With respect to the Malvern project, there is no specific proposal before me. I would certainly entertain such a proposal from the Ontario government.

EXTERNAL AFFAIRS

DISCUSSIONS WITH UNITED STATES ON USE OF PICLORAM TO DEFOLIATE BORDER

Mr. G. H. Aiken (Parry Sound-Muskoka): My question is directed to the Secretary of State for External Affairs. In view of the rising concern about the use of the chemical picloram to defoliate the Canada-United States border, can the minister give the House assurance that the matter is now being discussed with the United States authorities?

Inquiries of the Ministry

Hon. Mitchell Sharp (Secretary of State for External Affairs): In the light of previous representations that have been made here and elsewhere, the Department of Agriculture has again looked at this problem. They do not think there is any danger. However, I will take the further representations of the hon. member under consideration.

IMMIGRATION

ATTACK ON ELDERLY LADY BY U.S. MILITARY DESERTERS—STRENGTHENING OF REGULATIONS

Mr. R. N. Thompson (Red Deer): My question is directed to the Minister of Manpower and Immigration. In view of the fact that two United States military deserters, living in Canada as landed immigrants and high on drugs at the time according to their own admission, severely beat and critically injured an elderly Montreal lady who had generously offered them hospitality, is the minister considering firming up present immigration regulations as they apply to United States military deserters?

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): The provisions of the present Immigration Act are capable of dealing with this situation.

POLLUTION

CHEDABUCTO BAY—PROCESSING OF CLAIMS FOR DAMAGES

Mr. J. M. Forrestall (Dartmouth-Halifax East): My question is for the Minister of Justice, and is related to the question I asked him a couple of weeks ago. Can the minister now indicate to this House, and to the residents of the area in Chedabucto Bay in the Strait of Canso in which the *Arrow* disaster occurred, the procedures to be followed by the Government of Canada in assuring that the legal rights of these people, in terms of damage done to them, will be protected?

Hon. John N. Turner (Minister of Justice): The hon. member is asking me for a legal opinion. I have, of course, been in touch with the Minister of Transport on this very serious situation.

Mr. Speaker: The hon. member for Greenwood.

Mr. Forrestall: I have a supplementary question, Mr. Speaker.

Mr. Brewin: My question is for the—

Mr. Speaker: Perhaps the hon. member might be allowed a supplementary. We have just about reached the end of the question period.

Mr. Forrestall: Thank you, Mr. Speaker. My question will be brief. In consultation with his colleague the Minister of Transport, will the minister reconfirm the assurances given by the Minister of Transport in connection with the legal settlement of claims?

Mr. Turner (Ottawa-Carleton): The Minister of Transport and I see eye to eye on the problem.

EXTERNAL AFFAIRS AND NATIONAL DEFENCE

INQUIRY AS TO PUBLICATION OF WHITE PAPERS

Mr. Andrew Brewin (Greenwood): My question is directed to the Secretary of State for External Affairs. In view of the fact that the government's foreign and defence policies were to be the subject of extensive review in connection with which a white paper—or white papers—was promised, and since, though the government has been in office about a year and a half, only one statement, that on NATO, has been made, may I ask when we can expect the publication of either a comprehensive white paper or a series of white papers in this connection?

Hon. Mitchell Sharp (Secretary of State for External Affairs): It is the intention, I understand, to have them published—at least the most important paper, and perhaps some of the others if there is more than one—during the present session.

CANADIAN SOVEREIGNTY

IMPLICATION OF ASSISTANCE TO SHIPS IN NORTHERN WATERS

Mr. Gordon Ritchie (Dauphin): A question to the Secretary of State for External Affairs. In view of the most interesting premise suggested in a television interview on Monday evening that assistance to ships in the north is a sign of sovereignty, then in the absence of such assistance does our sovereignty lapse?

Mr. Speaker: Order. The hon. member is inviting the minister to express an opinion and in this form his question is not in order.

INQUIRY OF THE MINISTRY

Mr. J. Edward Broadbent (Oshawa-Whitby): I have a question for the Postmaster General, Mr. Speaker. In view of the fact that the Postmaster General's brilliant diagnosis of the postal situation in Montreal last night contained the assertion that the problem was really due to the goons and leadership of the CNTU—

Mr. Speaker: Order, please. Orders of the day.

BUSINESS OF THE HOUSE

Mr. Macdonald (Rosedale): On a point of order, Mr. Speaker. I wonder if I might make the usual weekly statement of business before we proceed to the next item. There have been discussions about the business for tomorrow and I believe it is agreed that the first item should be order No. 67, Bill C-183 with regard to the Agricultural Products Co-operative Marketing Act amendment. If this is not disposed of by 1 p.m. the debate will be adjourned and at 2 p.m. we will call order no. 15, the report stage of Bill C-12 concerning the International Development Research Centre.

On Monday, February 23, the first order of business will be order No. 68, Bill C-184, the shipping conference bill, to be followed by order No. 69, Bill C-186, in connection with the Law Reform Commission. On Tuesday, we would deal with order No. 29, Bill C-152, the National Parks Act amendment, followed by order No. 49 having to do with the Oil and Gas Production and Conservation amendment, Bill S-5.

Wednesday may possibly be an opposition day, the subject matter of the debate will be discussed between the house leaders and announced later. On Thursday next we will call orders Nos. 44, 45, 42 and 43 dealing with Bills S-8, S-9, S-6 and S-7, financial institutions bills, in that order.

Mr. Nesbitt: In view of the government's recent "paper tiger" assertion of Arctic sovereignty in the press, may I ask when item number 62 on the order paper can be debated in the House?

Mr. Macdonald (Rosedale): I have discussed this question several times. I have told the hon. member that legislation will be forthcoming to deal with this subject matter—unquestionably the best way of dealing with this problem.

Mr. Speaker: The House will now revert to motions, which will permit the hon. member

for Peel-Dufferin-Simcoe to move concurrence in the first report of the standing committee on agriculture.

ROUTINE PROCEEDINGS

AGRICULTURE

CONCURRENCE IN FIRST REPORT OF STANDING COMMITTEE

Mr. Bruce S. Beer (Peel-Dufferin-Simcoe) moved:

That the first report of the Standing Committee on Agriculture, presented to the House on Tuesday, February 17, 1970, be concurred in.

He said: Mr. Speaker, I shall endeavour to conserve the time of the House by being as brief as possible in presenting this motion. I rise for the purpose of moving concurrence in the first report of the Standing Committee on Agriculture.

Before I proceed further, I wish to deal with the question raised by the hon. member for Lotbinière (Mr. Fortin). The gist of the objection by the hon. member was that the committee was incompetent to deal with the reference of December 18, 1969, without having first completed an earlier study. It should be said on behalf of the committee that before the work involved in the reference of May 7, 1969 could be completed, time ran out; the session concluded and the reference expired.

The Standing Committee on Agriculture has considered asking the House for a further reference which would enable it to study agriculture in the most westerly counties of the Province of Quebec and the most easterly counties of the Province of Ontario, and northern Ontario, after which a report would be presented to the House dealing with eastern agriculture. However, the heavy workload before the committee would make such a program impossible until later this year.

Mr. R. E. McKinley (Huron): Mr. Speaker, the terms of this motion are that this House concur in the report of the committee. The committee, under its terms of reference, was ordered to consider and report on the problems of the dairy industry referred to it for study.

Now, there can be no objection to the manner in which the committee considered these matters. I believe the committee did so ably and well. There can be no objection to the recommendations of the committee; they should be concurred in by this House and implemented by the government. That which is objectionable is the ineptness of the language used to express the committee's second recommendation. The language does not state a clear recommendation which, if concurred in by the House, would define in terms certain a course of action which the government could implement or refuse to implement.

The recommendation presently reads:

• (3:30 p.m.)

Your Committee recommends:

2. Having regard for the disruption in the industry which may be caused by a decrease in the funds available for the dairy support programs, your Committee urges in the strongest possible terms that the Government consider maintaining the dairy support programs at the 1969-70 level for the period 1970-71, namely $125,000,000.

In a few minutes I intend to move an amendment which would correct the wording of this recommendation. I should like to explain some of the reasons. Here we have the words "Your Committee" repeated as the subject of a sentence. Obviously, once is enough. Then we find the word "recommends" followed by the word "urges". If both words are left in, some hon. members might be concurring in the word "recommends" and others in the word "urges". Since the committee was empowered to recommend but not empowered to "urge", the word "urge" must be taken out.

Next we have the phrase "in the strongest possible terms". What are these strong terms? The words are subjective. They invite each member of the House to apply the descriptive adverbs to the word "recommend" which each believes are the strongest adverbs that can be used. I suggest it is for the committee itself to supply these strongest possible terms so that members of the House can concur in or dissent from them. I may say that the recommendation is not expressed in the strongest possible terms and thus belies itself. To ask the government to "consider" maintaining the present level of dairy price supports does not involve the use of strong terms. There is nothing constitutionally wrong with recommending that the government maintain these price supports. Such a recommendation does not offend either section 54 of the B.N.A. Act or Standing Order 62; such a recommendation does not purport to appropriate any public revenue. To "urge that the government consider" is to subvert the committee's consensus that the recommendation be "in the strongest possible terms".

The terms of reference do not confine the committee to any over-all sums allotted to specific purposes or programs. The phrasing of the terms of reference includes the words "the funds available for dairy support in the forthcoming year". The "forthcoming year", I suggest, means the year commencing April 1, 1970 and ending March 31, 1971. Quite obviously, any sums mentioned as available in that period are hypothetical and will not be fixed until finally voted upon on third reading of the appropriations bill. Even the estimates, as their name suggests, are not final. The House had a recent illustration of this fact in the tabling of revised estimates for the year 1968-69.

The phrase "funds available in the forthcoming year" also includes those amounts that may be added by way of a supplementary supply bill. Since the phrase "funds available for dairy support in the forthcoming year" refers to hypothetical amounts, any recommendation by the committee as to the amount of the funds would also be hypothetical. In the same way, any statement by the Minister of Agriculture (Mr. Olson) as to the amounts that will be available for each program is a reference to amounts that are hypothetical. The words do not mean any more coming from the minister than from any other member of the House until the estimates are voted upon and passed.

There are many other problems in the dairy industry. I had the opportunity of attending a meeting yesterday with 500 dairymen, and there is great concern in the industry. I could go on and refer to many aspects of the industry, but my time is limited. I suggest that if the original recommendation No. 2 is acceptable to the House—and it appears to be—then the amendment that I am proposing to move should also be accepted by the House. Therefore, I should like to move, seconded by the hon. member for Joliette (Mr. La Salle):

> That the report be referred back to the committee with an instruction to so revise the second recommendation of the report by correction of grammar and deletion of surplus wordage as to express clearly the consensus of the committee, that the committee having regard for the disruption in the industry which may be caused by a decrease in the funds available for the dairy price support programs strongly recommends that the government maintain the dairy price support programs in the forthcoming year at the sum of $125 million, and that the committee report back to this House by February 26, 1970.

The Acting Speaker (Mr. Béchard): May I suggest to the House that the amendment moved by the hon. member be put on a provisional basis in order for me to consult with Mr. Speaker as to its validity.

[Mr. McKinley.]

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, I should like to speak to the propriety of this amendment. I fully realize that you have not put the amendment but that you have reserved your decision as to whether or not it is in order. I should like to draw to your attention, since there will be no other opportunity to do so, a number of matters that are related to the amendment and the instructions to the committee if, indeed, those instructions are brought back to the House as part of the report when it comes back to the House on February 26.

May I first draw Your Honour's attention to Standing Order 62, to which the hon. member has also referred. I submit the terms of this Standing Order are clear. It provides:

> This House shall not adopt or pass any vote, resolution, address or bill for the appropriation of any part of the public revenue—

I do not need to read further since I suggest it is clear that any wording in a committee report that could form the substance of a motion, which in turn would be voted upon and made a decision of the House, is out of order unless the motion is moved upon the recommendation of the Governor General. That, of course, is not possible in view of what my hon. friend has said.

May I also draw to your attention citation 260 of Beauchesne's fourth edition which provides:

> The tendency has been in the Canadian House of Commons, for the past twenty-five years, to rule out all motions purporting to give the government a direct order to do a thing which cannot be done without the expenditure of money.

The citation goes on to provide in paragraph (3):

> A motion to refer to a Select Committee a Return to an Address respecting a claim for damages against the Government is in order, but the House could not concur in a report from the committee recommending payment, without the previous recommendation of the Crown.

I think that makes the situation clear. There are other citations I should like to draw to your attention. For example, citation 278 on page 227 of Beauchesne's fourth edition provides:

> (3) Reductions can be made in Committee on the Bill, but no grant can be increased except upon recommendation of the Crown.

Further, I draw your attention to citation 288, which provides, in part:

> Committees are regarded as portions of the House and are governed for the most part in their proceedings by the same rules which prevail in the House.

I submit it is very clear that no member of this House, other than a member of the government, can move a motion, the adoption of which would result in the expenditure of funds from the public treasury, no matter how small in amount. This House has decided that the total substance of a standing committee's report to this House can become the subject of a motion, and that motion is the motion for concurrence in the committee's report to this House. If the House decides to concur in a standing committee's report, then, of course, the report becomes a decision of the House.

It is clearly out of order for any member of the House, other than a member of the government, to move a motion, the passage of which would have the effect of making a charge on the public treasury.

The hon. member argued that the estimates for the coming fiscal year, 1970-71, are not determined at this point, since all that has happened is that they have been laid before the House in the form of the blue book. Even agreeing with that, it must be clear that no member, except a member of the government, has the right to move a motion in the House that will increase or establish the level of certain expenditures, whether adopted by the House or not.

• (3:40 p.m.)

If supplementary estimates are required, it is only a member of the government who can bring in such a motion. So, Mr. Speaker, I would simply ask you to take these citations into account and look very carefully at the wording. I am not concerned about that part of the amendment that tidies up some of the grammar. That is a matter of opinion. I am not concerned about that, but where the amendment seeks to instruct the committee to change their report to include these words, "strongly recommends that the government maintain the dairy price support programs in the forthcoming year at the sum of $125 million." If the committee can make that recommendation, it follows that the committee's report can be the subject of a motion for concurrence in this House, and if the House accepts that report then of course it becomes a clear directive to the government that the dairy support program in the coming year shall be a certain sum.

On the basis of all the arguments, Mr. Speaker, all the traditions, all of the parliamentary procedures, not only of this House but of every other House in the world that follows the procedures we have adopted, that kind of motion, coming from anyone other than a member of the government, is clearly out of order.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, once more we hear the genuine voice of the bull-headed autocratic society which this government wants to inflict upon us. Committee reports are to be what the government wants them to be—no more, no less. So much for the merits of what the minister had to say.

On the question of the procedural point, citation 278 has nothing to do with this at all. The citation refers to a committee on a bill which actually deals with money. But what the hon. member for Huron (Mr. McKinley) is suggesting by his amendment, is to send, not a bill but a committee report, back to the committee with recommendations that certain things be done. Quite obviously, Mr. Speaker, the language which is going to be used by the committee must obviously comform with the rules and the precedents.

Let us assume, Mr. Speaker, that this amendment, is accepted. The instructions go back to the committee. The committee is then restricted to dealing with clause 2. If the committee, in its wisdom, decides to follow the recommendation of the House it will then endeavour to do so in language and words which are acceptable. That is all we are asking.

Mr. Olson: That is not what the instructions say.

Mr. Baldwin: We might have a case to meet if this were the actual wording of the motion, and we were now discussing it. But we don't need to do that. I am suggesting that for the minister to attempt to anticipate, as he is doing, what the committee may decide to put in its reviewed report is absolutely improper and wrong. If this is the government's way, it certainly confirms our opinion that we might as well scrap the whole committee system and throw it out the window.

Mr. Olson: Mr. Speaker, may I ask the hon. member a question.

Mr. Baldwin: You want to ask me a question?

Mr. Speaker: Order, please. I understand the minister wants to ask a question of the hon. member for Peace River, but perhaps I might be allowed at this point to remind hon. members that under the very special circumstances this afternoon it has been agreed that this debate would not interfere with the debate on the motion to be proposed by the hon. member for Bellechasse.

[*Translation*]

We had agreed that this day would be essentially devoted to the consideration of the motion put by the member for Bellechasse (Mr. Lambert). I am very much afraid that if we immediately undertake a detailed study of a point of order, we would spend the afternoon studying the Standing Orders instead of the dairy problem and I think that hon. members would rather discuss the motion to be brought in later than the point of order now raised.

It is surely possible to have some serious reservations about the admissibility of the amendment brought in by the hon. member for Huron (Mr. McKinley), but I wonder whether it would not be appropriate to defer the discussion on the point of order and to carry on the debate on the motion itself, but we could return later to the consideration of the point of order.

[*English*]

If hon. members think this would be the part of wisdom, to postpone until later on the very interesting procedural discussion that could be held on this particular point, we will allow the matter to stand, hear argument later on, and at that moment proceed with consideration of the motion proposed by the hon. member for Huron. Eventually, when debate on the hon. member's motion is again proposed, we could then decide on the point of order.

Mr. Baldwin: That is perfectly satisfactory, Mr. Speaker. I would not have got up at all if the minister had not attempted to muddy the waters.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I am prepared to agree to that as well. As a matter of fact when the Deputy Speaker received the motion he said he was receiving it provisionally and that any points of order could be argued later. So, I must say that I was shocked that the Minister of Agriculture raised a point of order at this time at all, in light of what has been said by the Chair, and I am doubly shocked when he says that a committee cannot recommend an expenditure of money. I am prepared to argue that point further, because I think it is a very serious point of order that has been raised, but I am willing that this procedural discussion be deferred.

[*Translation*]

Mr. Fortin: Mr. Speaker, on behalf of the Ralliement Créditiste, I wish to say how pleased we are with the decision you have just made. We have no time to waste studying the procedures into which the Minister of Agriculture (Mr. Olson) is trying to get us involved, because we want to talk about the dairy policy.

[*English*]

Mr. Speaker: I believe there is agreement that we might postpone this discussion. I gather that the hon. member for Huron had completed his presentation to the House. We will now go to the hon. member for Saskatoon-Biggar.

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, I must say that I agree with the point made by the hon. member for Lotbinière (Mr. Fortin), who complained that the committee had not completed its previous task and made a report thereon. I point out that the committee did not sit from the day the session opened until Christmas. During that time a reference could have been made to the committee. The committee could have completed its tour of eastern and northern Ontario and western Quebec, and the House would have been able to have a more comprehensive report from the committee as to the conditions that exist in those agricultural areas.

Mr. Beer: On a point of order, Mr. Speaker, the hon. member suggests that the committee did not sit from the beginning of the session until Christmas. The Agricultural Committee was not duly constituted until the afternoon of the 18th of December, when a reference was submitted to the committee, so that it wasn't—

The Acting Speaker (Mr. Béchard): Order. This is not a point of order.

Mr. Gleave: Mr. Speaker, the chairman of the committee is of course correct. He only confirms what I said. During that period I

asked in the House when the committee would be activated. However, what we are discussing is the report that is before the House.

In our discussions in that committee, we were confined to a large extent by the terms of reference which the House gave to the committee, and that was what the government wished us to discuss. Essentially, what we were discussing was whether or not we would concur in the government's obvious desire to remove $10 million from the dairy price support program. Fortunately, the committee did not go along with that idea, and said that in its opinion the $10 million should be maintained. There was a very strong feeling among members of that committee that the very opposite should have been done, that the amount of money available to the dairy farmers should have been increased rather than reduced. As I say, the chairman of the committee expressed the opinion, and I would say that technically his approach was right, that the committee could not properly bring in what I suppose might be regarded as a money bill. So, it was within these limitations that we worked. It is unfortunate that it was necessary for us to work within these limitations.

• (3:50 p.m.)

The whole report of the committee tends to confine the Canadian dairy industry. There is not enough reference to the necessity for expansion to meet the needs of the people of Canada. Earlier today during the question period we discussed the plight of the people in Canada who need food. We should find a means by which to give them the food. But we would appear to be narrowing down the food production plant in Canada, whether it be in respect of dairy production or wheat, at a time when the Canadian people need the food as do the people overseas.

Unfortunately, the committee does not have wide enough terms of reference under which to properly come to grips with the total dairy problem as it affects the producer and the consumer inside and outside Canada. Although this may be a faint hope, I hope the government having received this report through the House will take notice of the situation and try to come to grips with the total problem. In the committee, discussion was held in respect of the manufacturing and processing end of the industry. The farmer is urged to become efficient, efficient. He has strained himself, has used all his resources and has borrowed all the money he can. He has arrived. While the committee meetings were being held, the major dairy in Toronto increased the price of milk to the consumer by one cent a quart and the workers in the distributing and processing end in Ottawa went on strike for more money. Yet we sit in this place and ask the government not to reduce the income to the dairy producer. This is the situation. The farmers' costs are going up.

While sitting through the hearings of the committee, which held lengthy discussions and heard some excellent witnesses, I continually felt that as members of the committee we were limited in our ability to discuss the complete dairy situation in Canada.

[*Translation*]

Mr. André Fortin (Lotbinière): Mr. Speaker, the Chairman of the Standing Committee on Agriculture is moving today a motion for concurrence in the report of the proceedings of the committee, according to an order of the House passed on December 18.

The committee held meetings and heard representatives from several associations of dairy producers. Today, the conclusions of the report are submitted to us.

It will be recalled that in May and June of last year, a special study was undertaken on, among other things, the same problem and matter now before us. But then, the committee travelled extensively in the eastern part of Canada, in order to determine the consequences of the dairy policy of the federal government.

The conclusions of this report, which involved a large expenditure of public funds, are contradictory, in the view of the very members of the committee who made the study trip. We find ourselves in a somewhat embarrassing and paradoxical situation, for, on the one hand, we are in possession of the recommendations of a study which had to be completed by February 17 and, on the other hand, we do not have at our disposal the recommendations originating from a more thorough study that was performed on the same subject.

The chairman of the Committee on Agriculture claimed, a little earlier, that he cannot submit the recommendations contained in the study carried on in May and June last, because the terms of reference were to study the general situation of agriculture in Canada.

Hon. members know that the dairy policy is usually announced on April 1. Now today, the

House has to decide whether to concur in the report of the committee on that dairy policy, but it does not have the much more relevant and important conclusions of a more exhaustive study which will be presented to the House much later than April 1.

Thus the government is asking the House to concur in the conclusions of a report without stating at the same time all the aspects which have been the subject-matter of expert studies made at public expense. The House cannot concur in an incomplete report, if it really wants what is good for the dairy producers concerned.

That is where we stand as members of Parliament. Today, we are going to adopt a report of the committee on the dairy policy. On April 1 next, the government, through the Minister of Agriculture, will state its dairy policy and it is to be expected that it will not be substantially different from this year's policy, except that the subsidies paid to the dairy industry will be reduced by $10 million, which will make matters worse for the producers.

After April 1st, the chairman of the Standing Committee on Agriculture will ask the House to adopt another report on the dairy industry, and the findings of this later report will probably contradict those brought before us today. But, it will be too late. The policy will have been adopted, and the expenses incurred for this special study "in the field", as the producers say, will have been in vain because the government's policy will already be in force.

We will have spent public funds to mock the dairy farmers, and the dairy policy will continue to crush them and force thousands of them out of business. In fact, 13,000 of them gave up their operations last year.

That is why I had agreed on December 18 last to give unanimous consent, provided however that the findings of the study made in May and June be printed as an appendix to this report.

If the chairman of the Standing Committee on Agriculture really wants to help Quebec dairy farmers, he has to admit that we are right on that point.

It is our bounden duty to look into every aspect of the question before the announcement of the forthcoming dairy policy which is to come into effect next April 1st. It is still time to do it.

There is still a month and a half before April 1st, which leaves us plenty of time to draft the findings of the study made last May and June and to add them in appendix to this report. The Standing Committee on Agriculture would then be able to give us a complete study made in Ottawa, on the basis of the evidence and briefs submitted, and also in the field with the help of the producers themselves.

It is easy to find all kind of excuses, Listening to the chairman of the committee a few minutes ago, we were aware of the awkwardness of his position, of his embarrassment in the presence of the dairy producers who are with us here and of the inconsistency between what he does and what he says.

Unfortunately, all these little games work to the detriment of the dairy producer. The chairman of the committee knows that perfectly well, and also that each year the policy is unilaterally enforced by the minister, without true consultation or serious negotiations.

The chairman of the committee and the minister know also that dairy producers are dissatisfied with that policy, their situation having become intolerable, unacceptable and prejudicial. The chairman also knows, as do our friends opposite who are absent this afternoon, that the findings of the study carried out in May and June last year disproved the minister's claim that the present dairy policy is effective.

But even with the full knowledge of the facts, the chairman of the committee, under the thumb of his party's leaders, keeps kotowing to them, skulking, and badly at that, and would like to submit a report that he has no right to submit, because he is not required to abide by the unanimous consent and the agreement made between the parties on December 18 last.

Mr. Speaker, more than 25,000 dairy producers have deemed advisable to sign a petition to make known their opposition to the present policy and they have done it honestly, democratically and jointly.

The findings in the report submitted today for concurrence will only add to their dissatisfaction, and the government should understand that. Why not humbly agree to forget the political allegiance and—

Mr. Asselin: Mr. Speaker, on a point of order.

The Acting Speaker (Mr. Béchard): Order, please. The hon. member for Charlevoix on a point of order.

Mr. Asselin: Mr. Speaker, the member for Lotbinière (Mr. Fortin) has asked for unanimous consent of the House to proceed without

delay with the discussion of the important matter to be considered today.

However, instead of discussing the report, the hon. member is making his main speech. I would therefore remind him that we wish to go on to the main item of discussion and that according to the Standing Orders, his remarks are irrelevant. The member may deliver his speech later.

• (4:00 p.m.)

Mr. Gilbert Rondeau (Shefford): Mr. Speaker—

The Acting Speaker (Mr. Béchard): Is the hon. member for Shefford also rising on a point of order?

Mr. Rondeau: Yes, Mr. Speaker.

I want to point out that the house leaders agreed to provide for at least an hour of debate on tabling of the report of the Standing Committee on Agriculture.

The Acting Speaker (Mr. Béchard): Order. The hon. member for Charlevoix (Mr. Asselin) has just raised a point of order in connection with some of the remarks made by the hon. member for Lotbinière (Mr. Fortin) on the report of the committee on agriculture.

To my mind, the remarks made by the hon. member for Lotbinière on the petition signed by 25,000 manufacturing milk producers and filed by the hon. member for Bellechasse (Mr. Lambert) yesterday, have nothing to do with the report of the committee.

Mr. Fortin: Mr. Speaker, I was coming to the end of my remarks because of the agreement in which I participated personally. But I do not feel I was out of order.

I should also like to point out, Mr. Speaker, that when I raised my question of privilege concerning the tabling of this report, the Chair did in fact say that my grievance was serious and it would be well to bring it up when the report of the committee was tabled. That is why I feel that I am within my rights and I intend to exercise them.

Mr. Speaker, I move, seconded by the hon. member for Bellechasse (Mr. Lambert) that the amendment be modified by adding, after $125 million, the following:

—and add as an appendix the conclusions of the special study on the same subject made in May and June last.

The Acting Speaker (Mr. Béchard): At first sight, the subamendment moved by the hon. member for Lotbinière (Mr. Fortin), raises serious doubts as to its acceptability and for the same reasons hon. members are well aware of, we shall move the amendment on a provisional basis, and rule on its acceptability later on, if need be.

It is agreed, by unanimous consent, that the present debate be now adjourned.

GOVERNMENT ORDERS

BUSINESS OF SUPPLY

ALLOTTED DAY S.O. 58—INSUFFICIENCY OF GOVERNMENT DAIRY POLICY

Mr. Adrien Lambert (Bellechasse) moved:

That this House condemns the Government policy on the dairy industry

1. For having stated its dairy policy for 1969-70 at the very last moment, namely on March 31, 1969, and not having taken into account recommendations from producers concerned;

2. For having contributed to reducing the dairy producers' income by cutting down the subsidies and increasing the export tax;

3. For having listed in the 1970-71 Estimates a reduction in the dairy industry subsidies, which will further reduce the dairy producers' income.

Mr. Speaker, first I should like to thank all those who have been instrumental in allowing us to have as much time as possible to examine in an objective manner the very special problem of the dairy industry.

Everyone will certainly agree that the dairy industry is going through difficult times. However there is no such agreement when it comes to having the dairy producers alone carry the load. We remember quite well that a few years ago federal as well as provincial authorities invited the dairy producers to modernize their farms, to increase their herds, so that they might produce enough to meet the market requirements and to make their business more economical, which was the only way to get better prices.

Now this is what the Minister of Agriculture said in this House on March 23, 1966:

Unless the producer's confidence in his ability to make a decent living from dairy farming is restored, we face the prospect of shortages.

In an answer given the same day, the present Minister of Agriculture (Mr. Olson) made the following comments which I think were appropriate:

The minister indicated that the government was motivated first of all by the large number of dairy farmers who are going out of the dairy industry into other production such as hogs and beef. He also said he was disturbed by the number of dairy

farmers who have moved out of farming altogether to the point where Canada now faces the prospect of a severe shortage of dairy products for our own home consumption.

In my opinion, it is too painful an experience to go through before the government takes positive measures to remedy the causes. When I say it is a bit too late, I am sure the Minister of Agriculture will admit it, because thousands of dairy farmers have been gravely wronged before he made this statement.

Now, after 1966, the dairy policy was announced a little too late to benefit the producers.

In 1967, because of the seriousness of the situation and the failure of the goverment to recognize that dairy farmers were entitled to an additional income and that, in order to be in a position to meet the requirements of the Canadian market, they needed higher prices, a huge delegation turned up on Parliament Hill. That was on May 15, 1967, and the then Minister of Agriculture (Mr. Greene) and the then Minister of Forestry (Mr. Sauvé) came and talked to the producers. This is what they told them: "You are right to come here; you should have come ten years ago, but what can we do? It would take millions of dollars." Then, the farmers went home with a solemn promise that from then on, farming policies would be long term policies drawn up along such lines as to enable dairy farmers to know which way to go.

Mr. Speaker, the organization of milk production has grown bigger. Without buying land, industrial producers did manage to increase the production of their herds through improved farming methods and selection of cow herds. Producers had an output of 150,000 pounds of milk in 1967-68, but they were able to reach 200,000 pounds in 1968-69 and production is expected to remain at that level in 1969-70. Unfortunately, their efforts are penalized by the decision of the Canadian Dairy Commission. Indeed, since quotas for this category of producers have not been increased, they do not receive any subsidies for part of their production, and they will also have to pay the levy of 52 cents per hundredweight in order to finance the exportation of milk powder. This is why a fair number of producers will incur losses of several hundreds of dollars for the year 1969-70.

I do not know how the Minister of Agriculture (Mr. Olson) in his statement of March 31 on the dairy policy of the government, could hold the support level of prices at $4.85 per hundredweight, when the current market price is $3.60 at the factory. By adding the $1.25 subsidy, we get $4.85. Once the 26 cents export tax is subtracted, the actual price to the producer will be $4.59 at the factory or $4.34 at the farm. The price applies to the volume of the production included in the quota. The surplus will sell at $3.13 per hundredweight.

The former Minister of Agriculture once said that the export taxes are not payments from the State but rather taxes collected from the producer. Regarding the dairy policy of the current year, the situation is serious because some producers will hardly get $3.13 per hundredweight for part of their production. This is less than the production costs, which will likely reduce the price of the annual production of a farm.

The Minister of Agriculture would willingly answer me that if there is a production surplus, some steps should be taken to reduce it. I will reply that there is no production surplus, but rather a phenomenon of under-consumption.

According to the fifth report of the Economic Council of Canada—a government organization—one Canadian out of five is poverty-stricken. In Montreal alone, for example, thousands of families are destitute. Many children have never drunk milk, according to a survey and to an official paper sent to me with a letter by the F.C.U. Federations. This document contains some quite interesting statistics. In conclusion it says that in the city of Montreal, there are 105,800 poverty-stricken families, or 55.6 per cent of the population, and that 1,062,000 people in greater Montreal earn less than $5,000 per annum.

In view of such convincing figures, how could one formally deny the existence of a real phenomenon of under-consumption? The people who happen to live in such circumstances cannot even buy the necessities of life because they lack adequate purchasing power.

A Senate special committee was appointed to ascertain whether there really were poor people in Canada. As the House will remember, the said committee discovered that there were some and feared an uprising on their part. A release to that effect was broadcast on radio and published in the press.

I know that one of the goals of the Canadian Dairy Commission is to maintain a national dairy policy and to establish a sound, healthy and viable industry. We agree on that point. Dairy operations are to be made viable with respect to their extent and their output,

through quotas and subsidies, and by continuously offering to consumers an adequate supply of dairy products of high quality, at prices which, with the necessary subsidies, will provide qualified producers with a reasonable profit.

It is for that reason that a petition has been tabled in the House. It bore the signatures of 25,000 producers. The objective has not been reached, and that is precisely the subject-matter of this debate.

• (4:10 p.m.)

The volume of production must be maintained at the consumption level, the latter being conditioned at the present time by the purchasing power of people in easy circumstances. In Canada, there could be a greater consumption of dairy products if people who have needs to satisfy but lack the financial means for so doing had a greater purchasing power.

The increase in the number of unemployed, of strikes of all kinds and of taxes are the direct causes of the decreasing purchasing power of a great number of producers.

If all Canadians could purchase more dairy products, there would be hardly, if any, surplus. Can the Minister of Agriculture say and mean that all Canadians cannot consume more dairy products? Would it be impossible to sell more of them on our domestic market if an effort was made in that direction?

Through his dairy policy, the government wants to oblige the farmers to reduce their milk production. But, to reach this goal, he brings down the subsidy from $1.31 to $1.25, he increases the export tax by 5 cents on the quantity subsidized and by 52¢ on the surplus quota and the result of this will be to widen the gap between the selling price and the production cost. Thus the net income which is already very low will drop further.

I am quite aware that it would be better if the consumer himself were to pay an adequate price, allowing the dairy producers to clear a net profit at least equal to the gains of people involved in other sectors of the economy.

The problem is no doubt known to the Minister of Agriculture since only three years ago he told the House that the basic problem facing agriculture and all those involved in it is that the price scale is too low. Programs to increase it must be implemented. I agree entirely with the minister, but the prices should at least reach a level permitting profits in keeping with the needs of the people involved. When a ladder is too short to reach the roof of a building, even if five rungs are added when ten would be needed, it will still be impossible to reach the objective. According to the new dairy policy for 1969, far from having added rungs, the government has taken a few out, as far as the farmers' income is concerned.

When the minister was a member of the opposition—and I ask him to excuse me for reminding him—he had quite different ideas. Now, we are considering a very important matter and I suggest that we examine our present and former positions.

Operation costs are increasing while incomes are declining. This was found out a long time ago by many who are well informed about agriculture in the constituencies.

Mr. Speaker, I have consulted many milk producers so as to establish quite accurately the production cost of milk per hundredweight in our province. And, among them, there is at least one who has won a medal for excellence in that field. This means that there is an accounting system on that farm and that the herd has been improved. Yet, the cost of production is $4.88 per hundredweight at the plant, labour included.

For the information of hon. members who would like to know exactly what it costs to produce 100 pounds of milk and what operations are necessary to ensure the smooth running of a farm so that they may be in a position to judge if really all these dairy producers who are in the galleries today and who have signed a petition are right, I will give a few figures.

And once they hear the statistics which I am to give them presently, I am quite sure that they will agree that farmers and industrial milk producers do not get their fair share of the national revenue, and that they cannot live adequately in this just society which is yet to come.

Let us take the case of a farmer who produces 218,000 pounds of milk. He is not a small farmer who produces 12,000 pounds. I know him pretty well. I saw him start when he was young. He is married now and is bringing up his small family. He has done well and is hoping to do even better. When he started he had in mind a nice dairy farm where he would produce milk of quality in order to meet the needs of the market.

I will tell hon. members what his expenses were, which no doubt will be of interest to them. How much did it cost him in 1968-69

for feed? Exactly $2,358.15. For fertilizer? $984.06. For seed? $288.06. For the purchase of cattle and for artificial insemination? $536.00. For wages paid? $275.00. For tractor maintenance? $376.82. For hay, green oats, etc. $960.00. For truck maintenance? $327.01. For land maintenance? $121.30. For machinery maintenance? There is no exaggeration here: $59.05. For interest, taxes and insurance? $767.21. For family requirements? $324.70. For transportation? $538.92. For miscellaneous farm expenses? $365.70. For tractor and other work given by contract? $436.25. For capital expenditures? $139.00. For 10 per cent depreciation on machinery? $640.00. For 5 per cent depreciation on farm buildings? $278.40. Total expenses amount to $9,776.25.

As for receipts, he sold some wood which he cut on his farm for $75.48, cattle for $2,000 and milk for $7,675.91; he received subsidies amounting to $2,676.42. As for his non-farm income—he is also a carpenter—it amounted to $459.69. He had therefore an income of $12,887.50 and he showed a net profit of $3,-111.25. He worked 3,000 hours and his wife 800 hours. The hourly wage was 82 cents. A hundredweight of milk therefore cost $4.88.

Some will say that things are better elsewhere. I have in hand a document from Ontario giving the findings of a study made in 1964 on 1206 herds. The average herd was made up of 28 cows and the production by cow was 9,600 pounds. After the expenses were paid, this group of 1,200 Ontario farmers succeeded in producing milk at $4.60 per hundredweight, thus showing a profit of $48 per cow. How fantastic! The total multiplied by 30 or 35 will show the income of farmers in dairy production, a really interesting but insufficient figure.

Our figures are questioned. Everyone is very careful on that subject. At some point, the Quebec government ordered an inquiry into the conditions of agriculture in the province. It was the April Commission, though it was certainly not in the month of April. Table 15 on page 48 of the report shows the income of industrial milk producers.

To go back to the farmer I was talking about earlier, he has an average production of 8,000 pounds per cow. Let us refer to the table: for 9,000 pounds and 3,000 hours of work, the net revenue is 83 cents an hour.

It is obvious from the figures I have just quoted that the situation of dairy farmers is not very bright. Some may suggest that it might be more profitable if the milk production per cow were increased.

• (4:20 p.m.)

That formula would be ideal, for it would bring dairy producers an income at least comparable to that of the farmers in the United States.

But what is going on in the States? In Minnesota, Michigan and Wisconsin the dairy industry is highly developed. Yet, according to the American agricultural statistics bureau, the average milk production per cow in Minnesota is 9,430 lbs., in Michigan, 9,480 lbs. and in Wisconsin, 9,600.

It is therefore obvious that there is still a long way to go to reach an average production of 12,000 lbs., even in the United States.

In Quebec there are surely herds that have reached that average. The member for Richelieu (Mr. Côté), when he was farming, may have reached an average production of 12,000 lbs. per cow, but since he has become a member of parliament there have been changes. Even with an average production of 12,000 lbs. of milk per cow, the producer of manufactured milk who depends on outside help whose working hours are limited to eight a day, cannot expect profitable operations.

I know from experience that even with the help of his wife, a farmer cannot keep a herd of over 35 milch-cows. Have the members ever considered the amount of work involved in keeping such a herd for a full year? Indeed, more than 35 cows are needed. In addition, young cattle are required to renew the herd. All told some 50 to 60 heads may be required. This represents an average of five hours of work a day in the stable, and that, for 365 days a year. For those people, Sunday is not a day off and besides they have to sow, to make hay, to harvest their grain, to plough, to look after the pastures, to maintain the fences, the buildings and so on.

To go on with my comparison with the United States, the average price paid for manufactured milk to producers in that country in 1968 was $4.45 per hundredweight, which is absorbed by the American consumer. The price for butter is 83½ cents and is also absorbed by the consumer. Fertilizers are much cheaper in the U.S. than here. In Canada, ammonium nitrate, for instance, costs $98 per ton, when in the United States it costs only $73. Superphosphate with a 45 per cent content costs $102 per ton in Quebec—when in the United States it costs $81.

Potassium chloride costs $71.50 compared to $49 in the United States.

Besides, the period of stabilization is shorter in the U.S.A. than in eastern Canada, which lowers further the cost of production and the cost of machinery so that farm income is higher in the United States.

In Canada, the cost of production keeps on climbing. In the past ten years the cost of fertilizers has gone up 20 per cent.

In 1949, the retail price for butter was 63 cents and in 1969 it had reached 70 or 71 cents although the price of every item needed by the farmer to produce has increased tremendously and his net income has decreased by that much.

We are sometimes reminded reproachfully that in Quebec, the capitalization per cow is too high. According to the official figures I have in hand, the average per dairy cow is $1,469 for the whole Canada, $1,616 for Ontario and $1,237 for Quebec, which shows that Quebec producers surely do not have the highest capitalization in Canada.

Prices go up in many fields: interest rates on farm loans, insurance rates, taxes, postal rates, prices of building materials, of farm machinery and salary increases in many industrial sectors as well as in the public service.

Since the dairy producers have to pay the same price as anybody else but are not given the benefit of an income that would enable them to meet the present price requirements, how can we expect them to be satisfied?

It is as though one wanted to feed a two-inch pipe with a one-inch opening. There would not be much pressure and the outflow would be rather slow. That is how it is now with the dairy producer.

There is but one area where there was a decrease, that is in the subsidy for the production of industrial milk. The objective of a just society was forgotten. Some may say there is a limit, that the government has done enough for the farmers, who should have enough pride to live out of their production without resorting to government subsidies.

Is the dairy industry the only one receiving subsidies to survive? Not in the least. In fact, under a law passed in 1967, the subsidies granted to companies operating gold mines amounted to $15 million.

During the fiscal year 1967-68, the government has granted the companies operating coal mines in Cape Breton $25.5 million in subsidies with a view to providing jobs for 4,222 workers earning $2.63 per hour for an 8-hour day as compared to 83 cents per hour, which is the salary of a farmer toiling 16 hours a day.

On June 15, 1967, the Minister of Industry, Trade and Commerce (Mr. Pepin) said that the subsidy had been $4,000 yearly for each miner.

The government has also subsidized several companies to help them carry on and develop their business while meeting financial undertakings amounting roughly to $148 million.

• (4:30 p.m.)

I could mention companies such as *Consolidated Paper* which was granted a $3 million subsidy. Since we are on the subject of efficiency and subsidies, everybody knows that the Canadian National, which is administered by very able people, gets every year subsidies which enable it to straighten up its balance sheet.

I said that in 1949, the retail price of butter was 63 cents whereas skilled worker earned an average of $1.25 per hour. This means that one could get two pounds of butter for the equivalent of one hour's work whereas in 1969, according to statistics, the average salary per hour, in the same trades, could buy four pounds of butter. The ratio is higher when it applies to professional people. The farmer is always the last one to see the price of his products increase or go down. He can never see the roof because there are never enough rungs on the income scale.

To reach the price level of the other Canadian products which have increased since 1949 according to the fluctuation of the dollar, butter should sell for $1.05 on the Canadian market. Who benefited finally from the price being set at 65 cents, if not the consumer?

The ministers, the bankers, the scientists, all those who earn large salaries can benefit from the subsidy of 30 cents or 35 cents for every pound of butter, and this is what is called the compensated discount. The consumers pay less for it and the producers get the set price.

Mr. Speaker, the Minister of Agriculture claims that there is a surplus of dairy products, that he lowered the subsidy on industrial milk in order to curb production. The agricultural workers are really the ones who are penalized for their efficiency and for their hard work.

Yet, there is a surplus of manpower—

The Acting Speaker (Mr. Béchard): I regret to interrupt the hon. member but his time has expired.

Some hon. Members: Go on.

The Acting Speaker (Mr. Béchard): Has the hon. member the consent of the house to proceed with his remarks?

Some hon. Members: No.

The Acting Speaker (Mr. Béchard): There is no unanimous consent.

[*English*]

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, I am sure that the hon. member who moved this motion will not be surprised to learn that I am in substantial agreement with what he has said about the financial condition of a large number of dairy farmers in Canada. I have no apologies to make for the speeches I made in 1966, or indeed at any other time, because I know those speeches I made at that time were from the opposition side of the House. It was the job of the opposition to point out these problems to the House and particularly to the government from time to time.

I also know from that experience it is convenient, and the hon. member has shown that today, to talk about some things that are important to the subject matter that is under consideration and to ignore other things that are equally important. This is what the hon. member did, Mr. Speaker, because he talked about the dairy policy for 1969-70 and also 1970-71 in his motion, but he did not talk about the central core of the real problem that is involved. I refer to the over-supply position of the market that we have here in Canada.

Some hon. Members: Oh, oh!

Mr. Olson: I know you can make some reference to increasing the consumption here in Canada by such things as the standing committee has mentioned, namely, promotion programs of one kind or another.

• (4:40 p.m.)

Some hon. Members: Hear, hear.

Mr. Olson: But as a government, and as responsible Members of Parliament, we have to face the facts of the situation which is now building up in the marketplace despite the best efforts of many people in the dairy industry to promote an increased sale of these products both inside Canada and abroad.

I agree with what the hon. member had to say about the responsibility of the government and of the Canadian Dairy Commission forgiving some advance indication to the dairy producers of what their total production ought to be. I think producers need guidance from time to time as to the market potential, and in my view this is the exact purpose for which subsidy quotas were established. A farmer knows in advance, before the dairy year begins, what his quota will be for that year. The Commission gives an undertaking at that time that it will provide support in the marketplace for butterfat, skimmed milk powder and for cheese, not only in the amount specified, but for more.

The difficulty we are trying to deal with at the present time, is this: what are we to do about those who ignore the indications of what the demand is likely to be and ship in substantially more than their quotas provide? The hon. member knows that in one form or another, either through the holdback from the Dairy Commission or otherwise, it cost $35 million in the current year to dispose of surpluses, and the final figure may run even higher than that. I suggest that if we could reduce those surpluses and, hence, the cost of exporting them, by the amount of even one-third, the $10 million difference between the $125 million and the $115 million that we hear so much about would be fully taken care of as far as any subtraction from producers' returns is concerned. This is the problem to which, I suggest, we ought to be addressing ourselves.

I do not think we can ever predict with a precision some people might like, exactly what situation will develop in the marketplace during a year. However much people in the government, responsible for the treasury, or outside it, interested directly in the industry, might wish to do so, I do not believe it can be done. We do know that the trend in production is toward an increasing amount of skimmed milk powder and, now, butter will be in a surplus position. This is merchandise which is supported—the price for skimmed milk powder is 20 cents a pound. I would point out that skimmed milk powder has been selling on the international market at a price as low as six cents a pound, about one-third of what we pay our producers. We hope this situation will improve in the near future as a result of an international agreement among those countries which have built up great supplies of skimmed milk powder, and that

prices at the level I have mentioned will no longer be in effect, especially for skimmed milk powder intended for human use.

The point I am making is this: there is no reasonable market for these dairy products internationally. In fact, there is no market in the world at all at a price anywhere near what the dairy farmers of Canada will accept for their products. Inside our own Canadian market we can, of course, effectively control prices and competition from dumping by sources outside Canada. Consequently, returns are at a level which, though they may not be the highest in the world, are certainly not the least. Indeed, they are very close to being the highest as far as returns from the Canadian people for dairy products are concerned if one takes into account the level at the support price plus the $100 million or so which is put into the industry annually by the taxpayers of Canada.

I do not have time today to go into all of these matters but I should like to refer directly to the wording of the motion put forward by the hon. member. He asks the House to condemn government policy in connection with the dairy industry—

> For having stated its dairy policy for 1969-70 at the very last moment, namely on March 31, 1969, and not having taken into account recommendations from producers concerned.

Well, it is a fact that the dairy policy was announced on March 31, the last day of the support year. The practice of announcing the dairy support program only shortly before the start of a new dairy year is one which has been followed each year and for a very good reason—it was a particularly good reason last year. Hon. gentlemen are aware that the dairy support program embraces not only the direct subsidy but also the purchase policy in respect of the three basic commodities—butter, cheese and skimmed milk powder. Last year there was a very significant change in the level of production which became apparent to us and to the Dairy Commission after the first of the year, after January 1, 1969. Previous levels up to September, 1968, would indicate we needed a small amount of butter imported into Canada to balance the requirement of our market, bearing in mind that there is always skimmed milk powder going along with the butter. If there is to be only a reasonable surplus of skimmed milk powder then there will, of course, have to be a slight shortage of butterfat in the marketplace. So it was thought in September, 1968, that we might need a few pounds of butterfat to keep the market supplied for the balance of the year.

It turned out—and this did not become apparent until after January, 1969,—that there had been a significant increase in the total production of milk, and, in particular, of butter, along with the skimmed milk powder which accompanies its production. This increase took place in the last two months of 1968 and it was accentuated in the early months of 1969. We were obliged to take this into account because we are required, as responsible members of the government, to budget on the basis of the levels for which provision had been made.

The other suggestion in the motion that the government failed to take into account recommendations from the producers concerned is not correct. We agree that requests from the producers for substantial increases in federal expenditure associated with increased levels of support were not acceded to. I do not have to repeat the arguments I put forward earlier today with respect to this subject. But before decisions were made, extensive consultation took place with producer organizations as a result of which many recommendations by the producers associated with minimum and maximum eligibility figures, methods of handling quota applications and other items of quota administration became part of the 1969 policy.

• (4:50 p.m.)

In addition to that, the policy included minimum quality standards in accordance with producer recommendations. Broad suggestions were made by the producers which were also implemented, including a step in the direction of agricultural adjustment and a joint study of production management.

I come now to the second part of the motion, which reads:

> For having contributed to reducing the dairy producers' income by cutting down the subsidies and increasing the export tax;

For 1969, the support level was not lowered. While the total assistance was increased, this increase was based on the need for additional funds to cover expanded production. This relates directly to the increased cost of exporting the surplus.

The third paragraph of the motion reads as follows:

> For having listed in the 1970-71 estimates a reduction in the dairy industry subsidies, which will further reduce the dairy producers' income.

I mentioned the joint study with the producers of production management programs. Many hon. members are well aware that the dairy farmers of Canada, through the national dairy organization, have suggested a program of market quotas which will serve both as an agent to production and management and also better to allocate to those responsible for surplus production the cost of moving surpluses into offshore markets.

I cannot stress too strongly that the implementation of such a program, which I suggest lies largely outside the jurisdiction of this government, will do more to assist the income of producers who are tailoring their production to domestic requirements. Current estimates indicate that were the need for export assistance to be removed, producers would be able to receive anywhere from 25 to 35 cents per hundredweight more for quota milk than is presently the case.

Before I conclude my remarks, I should like to congratulate the Standing Committee on Agriculture for the consideration it has given the matter and on the report that it has made to the House. I think that regardless of what happens later with the report, or indeed the amendment before the House, this has been a very useful exercise in ascertaining the views of a large number of people across the country. The Department of Agriculture and the Canadian Dairy Commission have had people in attendance at, I believe, every one of the meetings which were open to them. This has enabled them to ascertain dairy farmers' views in advance of our setting out our policy for 1970-71.

This was partly the reason that in November last I announced that we needed advice; that we wished to receive the advice from those knowledgeable in the country about this matter in order to help us formulate a plan to bring this surplus production within reasonable range of the market. As I have said, as far as I am concerned this exercise has been helpful.

It might also be of assistance at this point briefly to review the situation which led to the reference that was made to this committee. I suggest that the history of federal price support has been a rather long one. For example, from 1948 to 1958 this federal assistance took the form entirely of supporting the market price of the three major dairy products, namely butter, cheese and skim milk powder. The market price of these products, as established under the price supports, determined the price which the processors paid the producers for manufacturing milk and cream.

[Mr. Olson.]

Subsidies to producers started in 1959, but from then until 1966 were designed only to compensate for a withdrawal of, or reduction in product support prices. There was a minor supplementary subsidy payment in 1965, but the payment of producer subsidies in their present form, in addition to and supplementary to the support of product prices, may be considered to have started in 1966.

Whether or not there is complete agreement that the total returns to producers from the marketplace and from subsidies are adequate, it seems clear that some steps ought to be taken to avoid a risk which always accompanies the assurance of a reasonably satisfactory price. The risk is that it encourages production that is beyond the ability of the market to absorb.

The first step to this end was taken in 1966, when a deduction or holdback was made from the subsidy payments to finance the loss involved in exporting products surplus to Canadian requirements. This established the principle that the cost of disposing of such surpluses was a charge against the industry.

The next step was taken in 1967, when a limit was placed on the amount of manufacturing milk and cream on which subsidy would be paid. This quantity was placed at the approximate requirements of the total Canadian market for dairy products on a butterfat basis. This total amount was, in turn, divided among producers by individual subsidy eligibility quotas on the basis of the quantity which each had delivered in previous years. This established the principle that any milk or cream which producers shipped in excess of their quotas would not be eligible for subsidy.

Then in 1967 and 1968, there was another holdback on this excess milk at the same rate as on quota milk, and the amount was deducted from the subsidy payments. I should also point out that in 1969 the rate of holdback on over-quota deliveries was placed at a level that was substantially higher than, indeed double, that of the holdback on in-quota deliveries.

Unfortunately, these measures have not prevented an increase in the amount of product that is surplus to Canadian requirements. The principal surplus has been in skim milk powder. In 1966 Canadian production was about 100 million pounds greater than Canadian consumption. Last year the surplus was over 200 million pounds. I am talking about 200 million pounds in excess of the

requirements of the Canadian market, which is about 165 million to 170 million pounds.

The cost of disposing of this in export markets, plus the export subsidy required to maintain our traditional market for cheddar cheese in the United Kingdom, must be recovered from the funds provided for subsidies. The cost is, therefore, a direct charge against producer returns. This is assuming that we will use all of the funds that are allocated to the dairy support program; in fact, experience over past years has been that we do, and then some. As I say, the cost is therefore a direct charge against these returns.

At the present time this expense, as exlpained to the committee, is using up about one-third of total subsidy funds. That is to say, of the $125 million, about one-third of the total amount coming out of the treasury is used to dispose of surpluses.

There is at present a serious world surplus of dairy products, and export prices are seriously depressed as a consequence. One encouraging recent development is that as a result of negotiations at Geneva under GATT, agreement has been reached among the major exporting countries for a minimum export price on skim milk powder for human consumption. We hope that this is successful in raising that price, at least to some degree, and of course to the degree that it is successful it will reduce the export losses on this commodity to the Canadian Dairy Commission and subsequently to the Canadian dairy producer.

• (5:00 p.m.)

The export situation with butter, however, is even more serious than with skim milk powder. There was a sale reported recently from Europe to South America at about ten cents per pound. The Canadian price for butterfat, as is well known, is supported at 65 cents per pound.

Until recently excess butterfat has not been of concern in Canada because it was just about in balance until the end of 1968. In 1969 the Canadian consumption of butter was 14 million pounds more than the production. Last year, however, production exceeded consumption by 28 million pounds. As a matter of fact, Mr. Speaker, the Canadian Dairy Commission now owns 30 million pounds more butter than it did a year ago, and this is close to 10 per cent of the annual Canadian production.

As a result we are now faced with a butter surplus which could become quite serious if present production and consumption trends continue. It is clear, therefore, that we must devise and apply policies that will reduce, if not eliminate, these surpluses and bring a better balance between the production of dairy products and the effective demand for them at Canadian support prices, or at some price that is reasonable to the dairy farmers of Canada.

I see I am nearly running out of time, Mr. Speaker, so I will not go into all the rest of the details. But I want to say this in conclusion. There is no one more keenly interested in maximizing or increasing the returns to the dairy farmers in Canada than my party and the Department of Agriculture. In line with that, Mr. Speaker, we have to face the very real facts of life in Canada, in the dairy industry in Canada, and the dairy market in Canada. The facts are that we are running now at production levels that are about 10 per cent or 12 per cent above the consumption levels in Canada, and there is no market beyond our borders anywhere near the support price in Canada.

So, Mr. Speaker, if we can find ways, and I think we can in co-operation with the dairy industry, to set up first a system where we will bring into the market from the producers about what the Canadian market can absorb for all purposes, but of course particularly for human purposes, and then if there is any that comes in beyond that it should be the responsibility of those producers who are in fact shipping over their quotas to bear the major financial burden of disposing of that surplus production.

I think that in the ensuing year, and we have done a lot of calculating on this, if we could maintain the subsidy level at $1.25 per hundredweight, where it is today, we could maintain the holdback on the in-quota milk at 26 cents per hundredweight, where it is today, provided we were able to substantially increase the holdback on quota milk. But, Mr. Speaker, one of the problems involved in that is that because there is over-quota milk this does, in fact, finally arrive in our inventories in the form of skim milk powder and butter. At this point we do not have any subsidy payment at all, and therefore we do not have any withholding mechanism. Here I refer to the non-quota milk which is coming in, and I also refer in this context to over-quota shipments from the fluid milk dairy industry.

So again I appeal to hon. members on all sides of the House, and to the dairy industry, to help us complete designing a program that is not going to go on increasing the financial costs of getting rid of the surplus, but of finding a way of bringing butter production and consumption into balance at reasonable prices so that the dairy farmers of Canada can increase their net return.

[*Translation*]

Mr. Gérard Laprise (Abitibi): Mr. Speaker—

The Acting Speaker (Mr. Béchard): Order, please. I think the hon. member for Abitibi would like to put a question to the minister.

Mr. Laprise: Mr. Speaker, I believe the minister, in the course of his remarks, quoted some figures in order to show that production was in excess of requirements.

I would like to ask the minister whether by "requirements" he means the actual requirements of the consumers or only what the consumers are able to pay?

[*English*]

Mr. Olson: Mr. Speaker, with respect to the interpretation of what I was saying, I do not think I used the words "needs". What I think I said was "the effective market in Canada," and that is the amount that Canadians, and everyone else, are willing to buy, and the price at which they are willing to buy it. If I may put another interpretation on the words, to see that every single person in Canada gets sufficient levels of dairy products, and of nutrition generally, is of course a thing we are concerned about. The fact, is, however, that we in the dairy industry, the Dairy Commission, and the dairy farmers of Canada have got to live on the returns they can get in the marketplace from those people who buy dairy products.

[*Translation*]

Mr. Lambert (Bellechasse): Mr. Speaker—

The Acting Speaker (Mr. Béchard): Does the member for Bellechasse wish to ask a question of the minister?

Mr. Lambert (Bellechasse): I was unable to conclude my remarks a moment ago, but I wanted to ask a question to the minister.

He has just told us that subsidies might be maintained at the 1969-70 level. While preparing the new dairy policy, would the minister be willing to take into account the fact that production costs rise year after year, in order that the subsidy, if maintained at its present level, will not in the long run amount to a decrease, due to the increasing cost of production?

I should like to know whether the minister intends to take this consideration into account when setting the rate of subsidies.

[*English*]

Mr. Olson: Mr. Speaker, we certainly are very conscious of that and if the program we start—I do not know what all the details of it will be—results in a substantial reduction in the over-quota shipments of milk, thereby substantially reducing our costs of export, I suggest to the hon. member that sometime during the year we could in fact reduce the holdback. We would not need as much to dispose of the export, but we would have to watch the performance of the market to ensure that these over-quota shipments were going to assist substantially and thereby reduce costs of export. If that were so, we could reduce the holdback later on.

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Béchard): Order. It is my duty pursuant to Standing Order 40 to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Moose Jaw (Mr. Skoberg)—National Capital—Request for establishment of Committee—the hon. member for Frontenac (Mr. Dumont)—Trade—Possible repercussions on Canadian farm products of Great Britain entry into Common Market; the hon. member for Esquimalt-Saanich (Mr. Anderson)—External Affairs—Application respecting flooding of land near Skagit River.

GOVERNMENT ORDERS

BUSINESS OF SUPPLY

ALLOTTED DAY S.O. 58—INSUFFICIENCY OF GOVERNMENT MILK POLICY

[*Translation*]

Mr. Roch La Salle (Joliette): Mr. Speaker, I am very happy to take part in this debate. Needless to say I consider it of vital importance for the dairy industry and the dairy

farmers, not only of the province of Quebec but also of the whole country.

The minister (Mr. Olson) has told us of his department's achievements in the past few years. I am not one of those who believe that neither the minister nor his department have done anything in recent years, but I suggest that the question that should be asked today is this: What has been done and is it enough?

Above all, I will not waste my time supporting the non-confidence motion introduced by the hon. member for Bellechasse (Mr. Lambert), taking into account the problems now facing dairy farmers in Canada.

It is also clear that those days allocated to the opposition are remarkably useful. I noticed yesterday that due to the persistence of an opposition party, we were able to obtain an emergency debate on the difficulties affecting postal services in Montreal. Today, another opposition party enables us to discuss the problems of dairy farmers.

I know perfectly well, however, that the Quebec C.F.U. has been demanding an emergency debate for two or three months. This debate is necessary in order to allow the members of this House to discuss in detail the difficulties facing dairy farmers.

I would have wished, of course, that most government members from Quebec were more aware of the seriousness of the problem. I think that they are seven or eight. I wonder whether they recognize the importance of this debate as much as we have for a long time.

I will not provide any statistics since the hon. member for Bellechasse (Mr. Lambert) gave some very valid ones, but I will hasten to ask hon. members to take today's debate very seriously, and I will also take this opportunity, as a member of the Standing Committee on Agriculture for a year and a half, to speak on the matter.

I had the privilege of travelling throughout Canada, of meeting various associations and of getting familiar with farming operations. On those trips, the committee was able to gather some information which allows us now to recognize the difficulties facing Canadian farmers, regardless of their activities.

That information enables us at the moment to make certain recommendations to the committee. We recognize the problems which affect the farmers generally.

After a year and a half as members of this committee, we might find with some frustration that we seldom make suggestions that are seriously studied and considered by the government.

I had an opportunity to mention this not long ago in committee. I shall surely not miss this opportunity to state the case in the House, since I have every reason to believe that there is a lack of consultation.

In fact, I shall take this opportunity to point out that some time ago, I put a question to the Minister of Agriculture. I asked him why the dairy policy was being announced only the day before its coming into effect. I was told that this was to allow organizations to submit briefs, that once these briefs had been examined and taken into consideration by the minister and his assistants, the policy could be devised according to needs.

• (5:10 p.m.)

Last week, when we discussed in committee the introduction of recommendations in the House, we found out that since the Blue Book or the Estimates had been tabled Wednesday, it was impossible for us to ask for supplementary grants. This shows irresponsibility and lack of consideration where the farmers are concerned.

With regard to the dairy industry, we are aware of all the economic difficulties both in Quebec and in Canada. Their very existence makes it impossible to turn a deaf ear to the recommendation now brought in by various associations in their briefs. I must also say how costly were the steps taken by the Canadian dairy associations in Quebec and elsewhere. Those agencies unanimously agreed on certain matters and arranged for initiating proceedings with the federal government to make themselves heard. I know very well that the committee, with only one dissenting voice, admitted that these briefs were excellent in essence and presentation.

After all these steps have been taken and all these expenses incurred, if the associations do not meet with a minimum of success, I wonder if the time is not ripe to tell the dairy producers to stop coming to Ottawa as under the circumstances their trips are utterly useless.

Lately a $10 million cut in subsidies was announced. I asked the Deputy Minister, who had been consulted, for some explanation and I received no answer. I asked what purpose was served by this committee. Indeed, when a cut of $10 million is announced, one begins to wonder. Nobody had ever heard of it. We were always led to believe that the committee served to formulate suggestions for the government's consideration.

Now, in view of these facts, I regret to have to say that the committee does not serve any purpose, as said earlier by an hon. member. In view of the position taken by this government, I am wondering how we will regain the confidence of the people. As a matter of fact, sometimes people seem to lose confidence in the government and Parliament.

At the present time, dairy producers are giving evidence of their good will by assuring the government of their collaboration as far as limiting their production is concerned. When the minister spoke of overproduction, he mentioned that this was the major problem facing the dairy industry. I realize that the minister certainly did not read the CFU submission, or he would not have spoken of overproduction as a problem it is hard to cope with. It might be useful if I in turn mentioned some of the recommendaitons of the report. Thus they will be on record in *Hansard* and the minister might keep them in mind. The Quebec dairy producers offered their co-operation, expressed their interest and made the following recommendations, which I quote:

—in agreement with other Canadian organizations and particularly the Canadian Dairy Producers, the dairy producers of Quebec accept for the next dairy year a quota system for marketing all industrial milk (surplus fluid milk, quota industrial milk, above quota industrial milk and non-quota industrial milk) under which the production of each farmer over and above the 1969-70 level would be marketed at the international export market price, whatever its level.

To facilitate the introduction of this system, a certain flexibility in its application would surely be considered.

Another recommendation is to the effect that the producers:

Eventually accept a reduction in production, according to terms and conditions to be determined, but below the 1969-70 level—

Finally, they agree to fully co-operate in an adjustment of production to market requirements in the establishment of programs designed to expand markets for milk and milk products, especially sales promotion programs—

Those are suggestions which have been mentioned from time to time but to which the government has turned a deaf ear.

I continue the quotation:

—of dairy products, food assistance programs for low income groups, school children—

—meaning free milk in Canadian schools—

—various social institutions and developing countries as well as programs to promote a greater use of dry skimmed milk in animal feed.

They agree to co-operate in adjustment measures to help some categories of farmers to abandon farming in measures taken by the Minister of Regional Economic Expansion as well as in all other agricultural policies promoting the diversification of agriculture.

What has been done to prepare those who would like to leave their farms? Was serious consideration given to early retirement or to the granting of subsidies for each cow sold, in order to transform the producer's activities? I wonder whether those proposals were seriously considered by the government.

Today, we are discussing a motion in which the government is held responsible for known hardships.

Those difficulties are no doubt due to the economic situation. I wonder how one can believe that the proposal to reduce the Canadian Dairy Commission's budget by $10 million, a large amount for dairy farmers, can be acceptable.

In view of the increased costs of production and services, it would have been better to recommend an increase of 5 per cent, which would have given an additional sum ranging from $20 to $22 million.

We are beginning to think that it is impossible to suggest an increase through a brief, because the estimates have already been tabled.

I know that dairy farmers and the people are tempted to laugh when they are told not to advocate or suggest the adoption of such measures because the estimates have been tabled.

Does that mean that the estimates have been tabled too soon? Is it honest on the part of the minister to say that he is waiting for the presentation of these briefs—once again, we all agree that they are excellent—to implement his policy, when immediately after he shifts the onus onto another department, saying that the estimates having been tabled it is inconceivable that subsidies should be increased this year.

However, a reduction was ordered. I think that is unacceptable for all members who believe that there are problems right now in agriculture. Given the economic situation, it is unthinkable that these subsidies should be cut down. On the contrary, they should be increased.

The government which would not pay attention to the recommendations we are making today would be implementing an inhuman policy as regards milk producers and all those directly affected.

It is clear that some producers are worried today. Many of them in Quebec and else-

where in Canada are tormented at present. The fact that many milk producers are here today in the galleries shows clearly how seriously they consider the real problems which now exist.

The drastic decisions taken recently in the House and the austerity program to fight inflation have resulted in inhuman measures.

It makes me laugh when they talk about austerity or say that the most important problem at the present time is inflation. It is a known fact that the most important problem is unemployment. In view of the very great number of unemployed it is inconceivable to force farmers on the labour market, since there are no jobs available.

• (5:20 p.m.)

It is obvious that if we endeavoured to create more employment, we could see the small producers who are experiencing difficulties turn by themselves towards the labour market, and we would not have to resort to a policy of dissuasion. In fact, the present $10 million cut, as well as the prospect of an eventual elimination of subsidies give us the feeling that the government wants to apply a policy of dissuasion.

Is there anything more inhuman on the part of the government than to lack the courage, to offer clear-cut solutions in order to retrain the farmers who have to abandon the land to work in some other fields.

We must face that problem today. I suppose most of the hon. members will be sufficiently interested in that industry to stand up for it as it is really in need. I remember that hardly 18 or 20 months ago, the government had promised the farmers an adequate income supplement, which was to provide stability again in their case and enable them to keep their farm.

There is not a single member who did not see fit to make such promises and today we do not have the courage to say clearly that there is no future for a certain group of producers. The policy that is applied is rather one of discouragement which is most unsound and inhuman.

May I also be allowed to say that most government members, 56 or whom come from Quebec, promised the dairy producers that they would find the answers to their problems. In spite of these commitments, they very seldom have been seen to take a positive stand.

Last night, on the emergency debate, the opposition are the ones who asked that such a stand be taken. Today, it is once again the members of the opposition who allow the dairy producers to be heard. I wonder exactly how many government members will take part in this debate and will urge the minister to grant once more to the dairy producers the subsidy of $10 million or more which represents the 5 per cent which is absolutely necessary to maintain a minimum standard of living.

These things have to be told and as members of this house we must show some objectivity. As for me, I am pleased to support the motion under consideration although it was moved by a member outside of my party because I think that objectivity must prevail over politics, as I have mentioned on different occasions. The minister had the opportunity earlier to say that he had reconsidered the matter and restored the $10 million subsidy, but who can tell what game the minister is playing now.

The cancellation of the $10 million dairy industry subsidy, as announced a few weeks ago, will force the Quebec Dairy Producers Association as well as all producers throughout Canada to work that much more to recover the amount which should never have been cancelled. Nor will they have the time to ask for the additional help required.

If tomorrow morning the Minister of Agriculture were to announce that he is willing to reconsider his decision and to restore that $10 million subsidy, all would be well. It behooves the members to recommend to the government that it restore that $10 million subsidy the milk producers absolutely need.

As strange as it may seem when the Minister of Agriculture announced, some time ago, that he was thinking, because of the austerity program, of reducing by $10 million the budget of the Canadian Dairy Commission, the Minister of Finance (Mr. Benson) announced, while in Quebec, that he expected a budget surplus of $500 million.

I say the dairy producers are justified in being concerned and in wondering whether the government is really serious when it speaks of bringing back stability to agriculture. On the one hand, it states that it expects a $500 million surplus and on the other hand it admits to being forced to reduce by $10 million the budget of the Canadian Dairy Commission because austerity so dictates.

One wishes to establish a just society. I wonder for whom this society will be just when we know that agriculture in Quebec represents an important part of our economy.

We cannot remain silent in front of these cuts and of this policy. It is not the first time that the present government does something prejudicial to the interests of the farmers.

One is now dead against an industry which is the tobacco industry. I find rather strange that the ministers interested in this industry have not talked to the Minister of National Health and Welfare (Mr. Munro) who is only hurting this industry, one of the few, in Canada, that need no subsidy from the government to remain active.

And I have not heard a single word from the Minister of National Revenue (Mr. Côté), who gets from this industry $600 million in taxes. The Minister of Labour (Mr. Mackasey), who should have enough unemployed people to deal with, as well as the Minister of Industry, Trade and Commerce (Mr. Pepin) have not made any comment. The tobacco industry provides work for 600,000 people. Today, we want to co-operate as much as possible with the milk producers who are in a very difficult situation. We would like to assure them, once for all, that they will be able to continue their operations with enough cattle to provide their family with a better future.

It is not the first time, Mr. Speaker, that these farmers are coming to Ottawa. Today, they came back in limited numbers. A few years ago, they were here in greater numbers, staging marches on Ottawa. Results are slow to materialize and I understand their impatience and concern.

I do hope this debate will bring about something practical, and that the present government will do something to alleviate the concern of these dairy producers.

I was, of course, expecting the Minister of Agriculture to remain in the House for this debate, hoping he would take the trouble to listen to the suggestions brought forth by hon. members.

I am sure that some time, later on, some government members will make suggestions to the minister on the ground of objectivity and public interest. I remember the hearings of the committee where most hon. members supported the briefs which were submitted.

The ministers from Quebec or from the other provinces, should enter this debate and compel the government to take action to help so as to stabilize our dairy industry and ensure our dairy producers of the full support of their members.

[Mr. La Salle.]

An hon. Member: There is not even one minister in the House.

Mr. La Salle: I can understand the frustration of the dairy producers confronted for the past year and a half with the lack of organization and the unconcern of the government.

May we, through this debate, arouse the government's feelings and induce it to consider the plea of the farm industry. I am told that there is not one minister present in the House. I am very disappointed indeed for all those who are here on behalf of the farmers. I dare say this will help to understand how unconcerned the government can be about the problem of the dairy producers. And I say so because those things have to be said.

• (5:30 p.m.)

In a few months or a few years during electoral campaigns, we will continue to sell the idea that a majority government, particularly a Liberal one, will settle the Canadian agricultural problems.

People will understand that the government is not interested in the dairy farmers' grievances. As I come from a constituency where there is an important number of dairy and tobacco farmers, it is my duty to defend these people as I am committed to do so, and I hope that all those who have pledged similar commitments will honour their obligations.

I well understand that the dairy farmers who are here today may doubt, and justly so, the efficiency of my intervention, but I hope that they may soon realize that they did not come to Ottawa in vain. It will be thanks to the efforts of opposition members if we succeed in forcing the government to act in the best interests of all those farmers and of the people in general.

[*English*]

Mr. Arnold Peters (Timiskaming): Mr. Speaker, I welcome the opportunity to speak in this debate and appreciate the motion made by the hon. member for Bellechasse (Mr. Lambert). However, I have been interested in the fact that there was not a cabinet minister in the House for the last half hour. I wonder if it is because of a lack of interest in agriculture or is it because the debate has been in French. I hope that neither is the case.

Late last fall, Mr. Speaker, the Minister of Agriculture (Mr. Olson) referred this matter of the austerity program to the agriculture

committee with instructions that they were to consider ways of disposing of the $10 million agricultural subsidy in a manner that would least upset the agricultural sector, namely, the dairy industry. We have had a number of meetings since that time, Mr. Speaker, and a number of representations from the dairy industry of Canada, including the National Dairy Farmers of Canada and the CCC, both organizations representing a large number of the fluid and industrial milk producers of this nation. The results of the meetings were that, not only should we reinstate the $10 million into the subsidy program but we should in fact add to it in a number of ways.

I think the fact that this matter has been raised very eloquently by the hon. member for Bellechasse today and the support it has received here and in committee, is an indication that the situation is very much as outlined. I get letters from the industrial milk producers in my area. My riding lies close to the Quebec boundary for 100 or 150 miles in Northern Ontario, so the problem there is not much different from that facing some of the people sitting in the gallery today who come from that province. They were plagued last year with too much rain at harvest time and then a very difficult spring. As a result they had poor hay and, in many cases, very little grain. While it may have been possible to operate this way a few years ago the fact is that, like all farmers, they have borrowed to the hilt in order to be able to produce for the fluid and industrial milk markets. They have bought additional cattle and have increased the capacity of their barns. In many cases, they have had to buy additional land and have put in bulk coolers as well as other equipment necessary for dairy production. Now, they are in the position of producing considerably more milk than the market can absorb.

In my area the Ontario government controls both fluid milk production and industrial milk production. When the milk comes from the cow it is owned by the Ontario government who disposes of it to the dairies or any other source that they can find. Milk, therefore, becomes the commodity of the government as soon as it goes into the bulk cooler. The surprising thing is that we in the little clay belt of Northern Ontario are producing fluid milk for the area and sending the surplus into Quebec, where it becomes milk powder in the Montreal market. We, therefore, are considerably involved with the problems developing in the province of Quebec. There must be some relationship between the two provinces.

A few years ago, about 1963, I read some of the literature put out by the Liberal party at election time. I think it was sent to me inadvertently because it was addressed to the Liberal candidate at that time. It indicated that they were going to get rid of small farmers in Canada. A number of programs were announced which would achieve that end. I congratulate the Liberal party for having succeeded in getting rid of most of our small farmers.

• (5:40 p.m.)

Part of the problem in western Canada, and other parts of the country, is that it no longer seems possible for a farmer to enter the dairy business. A farmer with a little money to spare can no longer afford to buy three or four extra cows and become a dairy producer. There is no room for him in the Ontario dairy industry either as a producer of fluid or industrial milk unless, in addition to buying his cows and farm, he can buy a quota. It has been said that many farmers in parts of western Canada, northern Quebec and northern Ontario ought not to produce milk. Perhaps that is true. We must remember that the foundations of this country rest on our rural economy. Twenty or thirty years ago our economy was more rural oriented than today. A large number of constituencies represented in this House are rural constituencies and the subject of agriculture gives rise to as many debates as at least five other subjects put together.

We debate agriculture because agriculture is important to us. A dairy farmer cannot enter dairy production with four or five cows these days because his facilities may not meet minimum requirements. At one time a farmer perhaps had several milk cows and two or three calves. He may have been feeding a brood sow and several pigs; his wife may have kept 20 or 30 chickens. In those days, the money coming in from cream production subsidized the farm income. That situation is now changed. We find that very little cream is being produced in my area. One of our creameries is in very serious straits and another that used to ship carloads of butter in winter and summer is working on a part-time basis. The same is true of a third outlet in my area which is also having difficulty. I think the people involved in these operations will agree that the government ought to support cream production.

In my hand I have a letter that I received from farmers in the township of Hudson. It

says that farmers in Hudson township who have been raising veal calves are, "not going to be able to get the calves" because the dairymen will be forced to raise their own calves for veal in order to keep milk production down. On the other hand, as the letter says, the veal calf man is not going to be able to get calves. This will necessitate this farmer milking cows, thus placing more butterfat on the market. More than likely, this farmer will be out of business because of lack of income. The letter goes on to say that, "normally, bull calves in this area at this time of the year"—the area referred to being my area of northern Ontario—"sold for $15.00 to $20.00. Now, these same calves are selling for $40.00 to $50.00, if available at all."

It is clear that if you play around with the farming sector of the economy you will create difficulties. It behooves us to change our system and put right the things wrong with it. I was interested in hearing a government spokesman say that we can not sell more wheat. As a matter of fact, there is no government agency that will buy directly any farm commodity. The government really is not in the business, except in a very limited way, of buying or selling anything on behalf of the Canadian population.

It might be a good idea if an agency of government could enable farmers to exchange farm produce for tractors. We are having great difficulty obtaining tractors at reasonable prices. A man came to my brother's place the other day and said he could get him a David Brown tractor for $4,000 less than he would have to pay downtown. If bodies like the Ontario Federation of Agriculture could make sure that our farmers could buy tractors in Ontario at the price, the saving to the farmer on his farm machinery costs would be so great that some parts of farm production would not have to be subsidized. Farmers in this country are always going to be in trouble because of their ability to overproduce.

Since I have been here I have watched us throw away millions of pounds of butter which was reduced to butter oil. We could not get rid of the butter. The factory in British Columbia storing it was burned; I suppose somebody collected the insurance. We have always been able to produce surpluses, because every time the farmer is told to produce more of any commodity he produces so much that you have a surplus. The problem is that we have never tried very hard to sell our surpluses. We asked people from the Department of Industry, Trade and Commerce appearing before the Committee on Agriculture whether the government sells farm produce, and we were informed that it does not. Our farmers are told, "If you go to such and such a place you will find a buyer for your produce at such and such a price." The point is that the government does not sell this produce on behalf of an important segment of the Canadian public.

Some may say that it is foolish for a premier of a province to go outside his province with a boat load of wheat and come back with a generator for a hydro plant. I am not sure that is good business; on the other hand, I am not sure that is wrong, because at least the wheat is disposed of and a generator is acquired at a reasonable price. We are one of the few countries in the world that has no government buying and selling agency to deal with farm produce, and I think it is about time we investigated this aspect.

I now wish to talk about the matter of cutting $10 million from the year's dairy allotment. Mr. Speaker, not one member of the Standing Committee on Agriculture, I am sure, would have been opposed to increasing the allotment by the $10 million demanded by the Ontario Marketing Board and the dairy farmers of Canada. As I say, not one committee member would have opposed increasing the allotment over that of last year by $10 million. When the matter came before the committee, we were told by legal advisers that the suggestion was in order. But what did the Minister of Agriculture (Mr. Olson) do? He came in and, on raising a technical point, argued that the suggestion was not in order and the allotment was therefore cut by $10 million.

Mr. Knowles (Winnipeg North Centre): Shame.

• (5:50 p.m.)

Mr. Peters: The day will come when Canadian farmers will not be able to produce all the food the world needs. I remember a few years ago how much trouble we had in my area getting a pulp and paper mill to locate there. It seemed that no one was interested in setting up a pulp and paper mill because there was a world surplus of pulp and paper. Today a number of pulp and paper mills are being built in Canada. We are going to find that we are five or ten years late in our maximum production of paper to meet the world demand.

One of these days we are going to find we are short in every commodity we produce in the agricultural sector. I do not think anyone in his right mind would say there is too much wheat, protein, butter or skim milk powder in the world. The difficulty is we have not found out how to dispose of that and provide a reasonable return for the farmer. This government talks about reducing everything to curb inflation. They have already reduced the farmer to a very low level in terms of any surplus. This has been deflationary. In most cases, the farmer has alreader been paying a 52 cent hold-back in the fluid milk market and a 26 cent hold-back on industrial milk. It is not the government that is paying this, it is the farmer. The farmer makes these payments to dispose of a surplus which he did not create directly.

I suggest this government would be well advised to restore the $10 million. For the first time, this government has had an offer from most of the farm organizations in the dairy industry to do something about overproduction. This is a problem that has always been with us and will continue in the future. It will have to be met by the farmers. In return for that, the government will have to guarantee them a parity price which should be at least the cost of production plus their wages.

I agree with the hon. member for Bellechasse (Mr. Lambert) that the flat wage on the farm is probably 88 cents an hour or approximately at that level. The hired men of this country are only receiving $200 or $300 a month plus some fringe benefits. This means most farmers find that the hired man's wages represents the total profit on the business. I talked to some very efficient farmers, one of whom was my brother. I think he is probably as efficient as any farmer in my part of the country. He knows what is going on because he belongs to all the organizations. We have been on ROP for years. We have been operating a thoroughbred dairy herd for a number of years. My brother has some college education. He told me that the amount of money he had left out of a total income on his farm operation, which I consider is worth probably $150,000, amounted to less than $3,000. If he has to pay another hired man that $150,000 farm operation will be a non-operable operation.

For years most farmers have operated on depreciation. I can remember during the war when my father was very active in farm organizations. He talked about the sacrifice the farmers were making on behalf of the war effort and the fact that they were making this contribution for patriotic reasons. That sort of patriotic contribution is still being made at the present time. The government is spending $50 million to aid bilingualism. They could probably spend another $50 million to provide a viable farm operation across this nation. The farmers will do all they can to help. The farm organizations have agreed they will provide, police and help operate a quota system for all milk. To the best of my knowledge, milk is being pooled in Ontario. This is also true in British Columbia. I understand that step is being considered in the province of Quebec. Milk will soon all be in one bucket, controlled by one agency for sales purposes.

The producers have said they will co-operate. They will set some limits. It is up to the government to decide whether they will pay a price which would enable these dairy farmers to continue their operation. If the aim of this government is to get rid of all these farmers here in the gallery, most of whom I imagine are small farmers, and have the farms operated by Steinberg's or the feed mills, then there will be vertical integration of these farm operations. All the government needs to do is cut back on dairy support as well as the support provided to some other segments of agriculture today, and we will have vertical integration.

The people of Canada will have to pay higher prices. Milk will cost 50 cents a quart. The price of butter and other agricultural products will increase. The Canadian people will then find out how stupid they have been to support the economies of this government. They are false economies which are not doing anything for the consumer or the agricultural segment of our nation.

The Acting Speaker (Mr. Béchard): It being six o'clock and pursuant to an order of the House passed earlier today, I do now leave the chair until seven o'clock p.m.

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 7 p.m.

[*Translation*]

Mr. Bernard Dumont (Frontenac): Mr. Speaker, thank you for having recognized me right away and letting me express my opin-

ions as there are relatively few members present.

We have before us today a notice of motion introduced by the hon. member for Bellechasse (Mr. Lambert) stating that the House condemns government policy concerning the dairy industry.

The member for Bellechasse made a splendid statement, although he did not have enough time. He was prevented from completing the speech he had prepared. Last night, when we sat until midnight discussing the possibility of the resignation of the Postmaster General (Mr. Kierans), I happened, on my way out, to stop by and say hello to the hon. member for Bellechasse and he was still working at his speech. Unfortunately a government member prevented the hon. member for Bellechasse from completing the comments he had so expertly prepared. I deeply regret that the hon. member for Lac-Saint-Jean (Mr. Lessard) should have, through a flat refusal, prevented the hon. member for at least five minutes from continuing his remarks—

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

Mr. Speaker: Order. I shall recognize the hon. member for Lac-Saint-Jean in a moment, but I wish to remind the hon. member who now has the floor that he himself has only 15 minutes at his disposal. If he keeps talking about things irrelevant to the motion before the house, he may get into trouble. For the time being, another hon. member has risen on a question of privilege.

Mr. Lessard (Lac-Saint-Jean): Mr. Speaker, on a question of privilege. I strongly object to the statement just made by the hon. member for Frontenac (Mr. Dumont). I have by no means denied the floor to the hon. member for Bellechasse (Mr. Lambert), and I would ask the hon. member for Frontenac to withdraw his charge. I said "a few more minutes". I did not say "no". Therefore, I would ask the hon. member to have the decency of withdrawing his remarks.

• (7:10 p.m.)

Mr. Dumont: Mr. Speaker, what I was saying proves that at times we do not have the opportunity to express our views in this House. I myself have been expelled once from the House, in 1962, and even if the details which I want to point out are to take up the 15 minutes to which I am entitled, I believe that they deserve to be given.

[Mr. Dumont.]

In connection with the remarks of the hon. member for Lac-Saint-Jean, I can say that everybody was prepared to let the hon. member for Bellechasse go on with his comments except the hon. member for Lac-Saint-Jean, and we heard a "no" from there. I saw him say it and I will not withdraw my words. I blame the hon. member for Lac-Saint-Jean for having prevented the hon. member for Bellechasse from continuing with the authoritative account he was giving us.

Mr. Lessard (Lac-Saint-Jean): Mr. Speaker, on a question of privilege.

Mr. Speaker: The hon. member for Lac-Saint-Jean on a question of privilege.

Mr. Lessard (Lac-Saint-Jean): Mr. Speaker, the hon. member for Frontenac is absolutely wrong when he thinks he heard a "no" from this side of the House. I want him to believe that I am not the one who said no, and I forbid him to doubt my word, which in my opinion is as good as his.

Mr. Speaker: Order, please. I must interrupt the hon. member for Lac-Saint-Jean as well as the hon. member for Frontenac. Pursuant to the Standing Orders of the House, an hon. member cannot doubt the word of another hon. member. If the hon. member for Lac-Saint-Jean made a statement along the lines he has indicated, we all have to recognize it.

Mr. Dumont: Mr. Speaker, since the hon. member for Lac-Saint-Jean can defend himself so well and is so aggressive, I would ask him to name the hon. member who said "no", as he did say that that "no" came from his side of the House.

In any event, Mr. Speaker, we will abide by your comments and we will limit ourselves to the problem being debated tonight, namely that of the dairy industry, and I dare hope that there will be no more interruptions.

As a member of the Standing Committee on Agriculture, I had the opportunity of visiting a part of Canada and to become familiar with the existing problems. Everywhere, I found nothing but affluence and surpluses, and the real problem of the Eastern farmers is one of surplus production, which is, by the same token, a curse. They are punished because they produce too much. This is the policy of this government which was to ensure social justice, but is not keeping its promises.

Now, a few moments ago, even though the hon. member for Lac-Saint-Jean made some protests I must say that I knew him years ago as a perfect gentleman. But, today, because he has changed his political allegiance and is a member of the party with enough electoral funds and to spare, we do not hear him speak as he used to. And our farmers—

Mr. Lessard (Lac-Saint-Jean): Mr. Speaker, I rise on a question of privilege.

Mr. Speaker: Order. The hon. member for Frontenac.

Mr. Dumont: The hon. member—

Mr. Lessard (Lac-Saint-Jean): Mr. Speaker—

Mr. Speaker: Order. I shall recognize the hon. member, but I must say here that there is a question of privilege, and that is why he has the floor.

Mr. Lessard (Lac-Saint-Jean): Mr. Speaker, I am sorry to intervene, but if the hon. member for Frontenac has nothing to say regarding the farm problem, and if he has only personal remarks to make about me, I think that he proves once more to the people now in the galleries that he lacks the judgment needed to discuss this problem.

Mr. Dumont: Mr. Speaker, there is no question of privilege. The hon. member for Lac-Saint-Jean tries to prevent me from expressing my views. Since he wants us to talk about agriculture, as I was a farmer myself, I intend to do so. Furthermore, I said it a while ago, I was once expelled from the House for defending the farmers. I have not changed party and I still express the opinion I was emitting in 1962.

Actually, some farmers have improved their herd—therefore their milk production—through artificial insemination, for instance. This practice is widespread in the province of Quebec because the producers were told to improve their production and to produce more. Now that they have become competent, we want to discourage them by punishing them and depriving them of $10 million in subsidies.

Far from letting farmers keep up with the increasing cost of living, we want them to support the full load of a reduction in subsidies, something which spells disaster and suicide for farmers. They are advised to mechanize, to modernize their equipment, then interest rates are boosted to satisfy the wishes of the Minister of Agriculture (Mr. Olson). We handicap farmers instead of helping them repay their loans. For instance, owing to the increase in interest rates, banks made in excess of $500 million in profits during 1968-69, most of it paid by farmers who during World War I were highly considered and worshipped—I would even say they were partly responsible for the victory which enabled the human race to remain free.

In 1970, because of milk surpluses, we could feed the world. Yet the government says that we must tighten our belt. Throughout the war, however, they found the money required to achieve victory.

Today, the government is asked to find the millions necessary to save Canada's main industry, the dairy industry, which makes farmers proud because, when it is a paying proposition, farmers are glad to work.

Here is how I analyze the situation when I look at the problem as it really it. I know that the subsidy paid to producers should instead be paid to the consumers, because the farmer, through the Catholic Farmers' Union, and with the help of the National Farmers' Union, the Federation of Industrial Milk Producers, the Federation of Natural Milk Producers and, finally, the milk producers of Canada, urged that a fair price be established with regard to production. I do not know of any industrialist who would agree to sell his product for less than the cost price. Nevertheless, in considering a cut of $10 million in subsidies to farmers for their products, that is exactly what the minister wants to do.

Moreover, it is upsetting to see the member for Richelieu (Mr. Côté), Parliamentary Secretary to the Minister of Agriculture, kneel to the minister and tell him, in the presence of all Quebec farmers: Thank you, Mr. Minister, for that cut of $10 million.

Considering his statement, I simply ask him to resign as soon as possible, because he is the shame of the Liberal party. The people of Canada see only one solution: his resignation.

Mr. Côté (Richelieu): Mr. Speaker, I rise on a question of privilege.

Mr. Speaker: Order. The Parliamentary Secretary to the Minister of Agriculture on a question of privilege.

Mr. Côté (Richelieu): Mr. Speaker, on a question of privilege. I am willing to resign

if the member for Frontenac can produce written evidence of what he has just said, that I am pleased with the minister's decision.

Mr. Speaker: This is not a question of privilege but a debating point.

• (7:20 p.m.)

Mr. Dumont: Mr. Speaker, we there demand the member's resignation, because he has misled the minister in connection with the dairy industry. The members who are not plucky enough should not be asked to settle the problem.

This parliamentary secretary reminds me of a reed waving in the breeze. He has a real mug of a millionaire on a wretched body, because he is refusing $10 million to the Quebec farmers. He is the servant of finance, he bows before Mammon like those who worshipped the golden calf in olden times, instead of asking that funds be made available to farmers. I am asking for his immediate resignation, because even within the Liberal party, much more competent members could replace him. As for us, on the contrary, we are deferring to God's will, but before mankind, we are demanding justice on behalf of farmers. We are asking the establishment of fair prices in return for the farmers' work.

I now wish to refer to a suggestion that we have been making for a long time, namely a compensated discount for consumers who are unable to pay the farmers the price they ask for their products. This compensated discount existed during wartime. The hon. member for Bellechasse (Mr. Lambert) demanded a while ago that money be made available to individuals and that the compensated discount be established to decrease the consumption cost.

When consumers are unable to pay the producers for their production, the government, through the Bank of Canada, should grant a compensated discount that would make it possible to purchase Canada's total production. The latter would increase both in quantity and in quality and, as a result, we would be able to adopt the same measures as in the United States where a survey carried out in the schools has shown that, when the price of the half-pint of milk was reduced from 10 cents to 3 cents, consumption increased by 180 per cent. In primary schools, sales of milk at 3 cents per half-pint have increased by 208 per cent.

If, through the Bank of Canada, it was decided to grant a compensated discount to consumers who cannot afford milk at current prices, this would be a good thing. That is the responsibility of the government. Assuming that the government wishes to establish a just society as it claims, it should, instead of lending $1 million to Korea without interest, grant this loan to Quebec farmers.

If the government can afford to spend $7,500,000 for Information Canada, it must also spend money to promote agriculture, thus giving Canada a sound balance which is sorely needed. Our farmers have been too long neglected.

Mr. Speaker, I wish to conclude because time is running out. I would like to speak about the recommendations made by the Catholic Farmers' Union. It is said that the Canadian Dairy Commission's budget should not be reduced for 1970-71, so that it will not end up with a deficit. The $10 million reduction announced by the Minister of Agriculture should be cancelled.

I am making this request on behalf of the 25,000 people who signed the petition tabled yesterday, as well as of the members of the C.F.U.

Besides, the budget of the Canadian Dairy Commission should be increased. Considering the quota they have registered with the Canadian Dairy Commission, the producers would be guaranteed a total income for a hundredweight equal to that of the year 1969-70, and a sufficient surplus to compensate for the yearly 5 per cent cost increase for goods and services.

This request involves increasing the Canadian Dairy Commission's budget from $20 to $22 million, but it is essential to the survival of the farming people. Those who oppose it may, at the next election, meet the same fate as several hon. members in 1962, that is, defeat.

Mr. Marcel Roy (Laval): Mr. Speaker, I am pleased to take part tonight in this debate. We are quite aware of the effects of the situation, at the present time. I must say that I am very happy to take part in this debate as the son of a farmer and also as an agronomist. For 12 years I practised my profession in the province of Quebec, eight in private enterprise and four in a cooperative with over 55,000 farmers. I was very happy at noon today to meet several of my friends, members of the CFU, who are now in the galleries. I think that our meeting at noon was certainly very useful.

In the United States the milk price policy was responsible for the election of senators

and governors. Here in Canada quarrels over milk prices are sometimes useful to people looking for publicity.

Some hon. Members: Hear, hear!

Mr. Roy (Laval): I am in sympathy with the suggestion of the hon. member for Bellechasse (Mr. Lambert) whom I must commend for his work in the Standing Committee on Agriculture because more than 14 meetings were held in order to hear witnesses. I think that it was a very good thing for the committee on Agriculture to hear representations of all the farm associations. That suggestion was made by the Parliamentary Secretary to the Minister of Agriculture (Mr. Côté).

The problems which we are up against with regard to milk are not unrelated to other farm problems. In agriculture, productivity, that is the net production per man, has increased since 1961 at the rate of 6.5 per cent per year. At the same time, productivity in all businesses increased at a much slower rate, that is 2.9 per cent per year.

Ten years ago, and in this regard I agree with the member for Bellechasse, one hour's wages allowed you to buy 7.2 quarts of milk whereas today you can buy ten. My time being very limited, I do not want to go into all the reasons for that. In any event, that is the situation our farmers are up against.

I should like, this evening, to analyse the situation and impress upon the officials of the department the importance of the dairy industry in the province of Quebec.

The dairy industry is basic to agriculture in Quebec. Indeed, over 50 per cent of the income of our farmers comes directly or indirectly from that industry. Almost 38 per cent of the total Canadian dairy production comes from the province of Quebec.

Our farmers are aware of present surpluses, for a look at the number of farmers registered with the Canadian Dairy Commission will reveal that in 1966-67 there were 53,342; in 1967-68, 49,660; in 1968-69, 45,116. From 1966 to 1969, 8,226 producers in Quebec were denied the right to subsidies.

• (7:30 p.m.)

I think our farmers are aware of that surplus. The federal subsidy on industrial milk represents more than 20 per cent of the total income of the dairy industry in Quebec. I regard that situation as very important. In 1968-69, an amount of $43,000,366, representing 44 per cent of what was paid by the Canadian Dairy Commission, was precisely granted to the province of Quebec.

I wish to inform the House of such a situation for we are all aware that ideas of all kinds prevail in the province of Quebec. But I believe that this fact was never disclosed by the preachers we know.

So that goes to say that the farm economy in Quebec is more closely related to the dairy industry than in any other Canadian province. I deem it my duty, as a member from that province, to make the authorities aware of such conditions.

I am proud, of being a member of the Liberal party, for all the increases voted in favour of the Canadian Dairy Commission, in order to assist our dairy producers, were voted under Liberal governments.

I am also very much aware that, in the interest of dairy producers, the national dairy policy must have as a long term objective the development of an economic and productive dairy industry.

Considering the farm net income, compared with that of 1954, we find that the Quebec farmers are in a sorry plight. I mentioned at a meeting of the Standing Committee on Agriculture the following situation, namely that the 141 per cent increase in net income per farm, from 1954 to 1968, was accounted for by the producers of the three Prairie provinces.

In the Quebec province, from 1954 to 1968, the income increased by 14 per cent only while in Ontario it increased by 32 per cent. In one of the Maritime provinces the income went down 30 per cent whereas in British Columbia it went up 62 per cent.

All this because I do not want anybody to indulge in party politics, which seems to be the present trend. I do not want to by-pass the problem because I know how important the dairy industry is in Quebec.

We, Liberals, are aware of this. I would like to tell our detractors that from 1954 to 1960, the net income of the Quebec farmers decreased by $33 million From 1960 to 1966, the farmers of Quebec recorded an increase of $67 million of their net income and, from 1966 to 1968, under the present government, they experienced a decrease of about $8 million, but this is not the fault of the federal government.

I was reading yesterday, in a newspaper, a statement by the present Quebec Minister of Agriculture, to the effect that the only

political party that has an agricultural doctrine is the Union Nationale. I think these figures can prove it.

Mr. Speaker, I do not intend to continue to debate this matter, but I think these figures must be disclosed. I am very happy with the report that has been tabled in the House, although when this report was examined, I made some suggestions.

I think that where there is a problem of surpluses, there are always two methods of solving it.

The first one is to cut down production and the second, which to my mind is more logical, is to try and find markets and increase consumption at the domestic as well as the international level.

When we met with the officials of the Department of Industry, Trade and Commerce, they explained their program and informed us of a more aggressive policy tending to the development of new products. We have to innovate in this field to increase consumption by all possible means as, according to present forecasts, we will face in 1980 a per capita decrease of 18 per cent in the consumption of dairy products of all kinds, which will be offset by an increase of 9 per cent due to population growth.

As regards present surpluses, the report of the Standing Committee on Agriculture is not very different from the brief presented by the Catholic Farmers Union. In fact, it can be seen on page 3 of this brief, and I quote:

> Direct subsidies paid to producers have therefore been as follows:
>
> | | |
> |---|---|
> | 1967-68 | $ 98.3 million |
> | 1968-69 | 101.0 million |
> | 1969-70 | 91.0 million |

In 1970-71 there will be a reduction due to surpluses, but I repeat we will have to make an effort to use these surpluses and I believe that after having enforced an aggressive policy in the search for new markets and in trying to increase domestic consumption, we should also study the possibility of transforming this excess powdered milk into veal. I feel that this new possibility could ensure an additional income to the farmer.

I well remember that in 1962, when milk base products were introduced for calf feeding, the average price of veal was perhaps around $15, $20 or $25 cwt., but it is now, as you know, 45 to 48 cents a pound.

I would suggest that surplus milk waiting in warehouses be used to feed calves being raised for consumption.

[Mr. Roy (Laval).]

Mr. Speaker, I would not like to take up another hon. member's time and I believe several of them want to express their opinion but we are facing a situation which it is hard to cope with. Actually, we are aware of the problem, we will give serious consideration to all possible solutions. I believe that the two problems now facing agriculture are the surpluses of wheat and milk.

I would like to see the government give the same attention to those two problems which are now curbing the development of our agriculture.

In closing, I congratulate the members of the CFU who are with us today. Their presence gave us much encouragement. It also proves the interest of farmers in the situation of the dairy industry. Such action is certainly commendable. I strongly urge the Minister of Agriculture (Mr. Olson) and all cabinet members to give consideration to the importance of the dairy industry and to use the $10 million which are not now in the Canadian Dairy Commission credits for other purposes in order to improve the present situation of Canadian agriculture.

I do not believe our farmers like to have welfare problems settled at their expense. Our farmers are too proud of their profession to be satisfied with promises alone. They are aware of the situation and I think there is certainly a way to find a solution to this problem by every possibility of improving technical methods.

The Acting Speaker (Mr. Béchard): I regret to interrupt the hon. member, but his time has expired.

• (7:40 p.m.)

Some hon. Members: Hear, hear.

Hon. Martial Asselin (Charlevoix): Mr. Speaker, a motion of the Ralliement Créditiste, introduced by the member for Bellechasse (Mr. Lambert), is now before the House.

In this motion, the government and the Minister of Agriculture (Mr. Olson) are taken to task for their failure to take action in order to grant eastern farmers, especially those engaged in dairy farming, the same subsidies as in past years.

Of course, it is very easy, with the problem now being discussed, to indulge in demagogy, to play politics, when 300 farmers are in the galleries, as was the case this afternoon, and to make a high-flown speech and say: We, of

the Ralliement Créditiste, are the ones who have introduced this motion. What an ideal political football.

I have a feeling that the members of the Ralliement Créditiste took advantage of this day to air their grievances as well as to present this motion. May I congratulate the hon. member for Bellechasse, who, in my view, has made an excellent submission.

May I be allowed to digress at this point. If we did not have our present parliamentary system, if government members were not compelled to follow the orders of the Cabinet, if we had in the House 74 members from Quebec, without regard to their political affiliation, to deal with a question as important as this one, if Quebec members made common cause with one another as do those of the other provinces when questions of interest to them are raised, I believe that the problems of Quebec and of eastern Canada would be solved much more rapidly.

Unfortunately, we are faced with our present system. I know a large number of Quebec members who wholeheartedly approve of the motion before us, but who cannot, because of the present system, say exactly what they think of the policy now being upheld by the Minister of Agriculture (Mr. Olson).

Mr. Speaker, what surprised me in this debate is that our friends from the Ralliement Créditiste could not agree with their former colleague, the Minister of Agriculture. I remember, when I was in the House and the Minister of Agriculture was sitting at the far left, with my friends, the former Social Crediters, that he used to talk quite differently when the problems of both eastern and western farmers were being discussed.

Mr. Speaker, it has often been said and it is still said today that power can change men. When the minister was sitting over there to the left with the Social Credit party, he was the first to champion the farmers' cause, instead of saying like he did this afternoon that there was an overproduction problem and that it simply had to be solved—

Mr. René Matte (Champlain): Mr. Speaker—

Mr. Speaker: Order. The hon. member for Charlevoix. Has the hon. member for Champlain (Mr. Matte) a question of privilege or a point of order?

Mr. Matte: Mr. Speaker, I should like to put a question to the hon. member for Charlevoix.

Mr. Speaker: Of course, the hon. member for Charlevoix has the floor and a question may be put to him only if he agrees.

Mr. Asselin: I agree, Mr. Speaker.

Mr. Matte: I would like to ask the hon. member who has just accused us of being demagogues, if he is aware that in number, the Ralliement Créditiste officially represents Quebec in the opposition.

Mr. Asselin: Mr. Speaker, I did not accuse the hon. member of being a demagogue, but if the cap fits, let him wear it. I did not accuse anyone in the House. I said that this debate gives some members an opportunity to indulge in demagogy or to play politics, and if the hon. member feels he is being singled out. I am sorry. If the cap fits, I ask him once again to wear it.

In the speech the minister delivered this afternoon, he spoke of an overproduction that the department is unable to dispose of, namely of dairy by-products. Obviously, there is a problem. But are the farmers at fault? Are we living in a free society? Are we still a part of that society that encourages private enterprise or are we under a socialistic system that will control production and restrain the energies of those who really want to work in order to lay out their assets to advantage?

I say to the minister that his argument about overproduction that he over-emphasized this afternoon is an extremely weak one. This means that it is up to the minister and the federal government to organize foreign trade so as to dispose of Canadian products. And if the minister is unable to do so, are the farmers to pay the price? I say the minister is on the wrong tack when he boils down the whole problem to an overproduction problem. The real issue is: Do we have to penalize the dairy farmers if, through their initiative and hard work they want to produce and earn a living? I say to the minister that his prime responsability is to sell the Canadian products on the market.

Of course, I am not an expert in agriculture. I am a lawyer.

• (7:50 p.m.)

Mr. Olson: It shows!

Mr. Asselin: The minister says that it shows. In fact, I am no farm expert but I know enough farmers in my riding who are too poor to go away and too poor to stay

because they live on rocky lands. I should like, one day, to invite the minister to come and visit us. Indeed, he does not come often in Quebec and it is why he is not aware of the problems of this province. Should he deign to accept my invitation, I shall take him on a tour of the constituencies of Carlevoix or Lac-Saint-Jean. I promise him that I will show him the poverty and difficulties of farmers who have to make a living out of the little they have presently.

I do not need to give a summary of all the arguments put forth in the briefs and which, in my opinion, should have strongly convinced the minister that Eastern dairy producers, and in particular those of the province of Quebec, are now up against a desperate situation.

I read the briefs. I have here the brief of the agricultural committee of the Lake St. John area, partly located in the constituency which I represent. The minister as well as his parliamentary secretary (Mr. Côté) must have read all those briefs. Farmers have been coming to Ottawa for months and they have met with the representatives of all political parties. They also met with their member. They were told that a debate would be held on the matter. The object was hopefully to convince first the minister and then his parliamentary secretary of the importance of the problem, and the minister knows it.

If the minister, owing to his subborness and to the austerity program carried out by the government, does not acknowledge the claims of farmers and milk producers, many of them will drop their operations this year. What will they do? Could it be that the minister found a magic recipe to find them work? Would he not rather reconsider his decision and not cut the subsidy by $10 million. Should he not propose a 5 per cent increase in order to assist farmers in making both ends meet? Would it not be easier for the minister to go along with that bounty instead of leading on the labour market a still greater number of unemployed? That is what is bound to happen if the minister persists in not granting the 5 per cent increase which is absolutely necessary.

All the UCC briefs recommend such a course. They were drafted by experts. If the minister wishes to do nothing, I am telling him publicly that, during the electoral campaign, while the members of the cabinet and himself spoke about participatory democracy, of government of the people by the people, they were playing a trick on their listeners.

Mr. Speaker, this example shows clearly that those people who marched on Ottawa, made representations and explained their grievances to the minister, at one time believed that the participatory democracy proposed by the Liberal party during the last election campaign could become a reality.

Those people will go back home and have only to say: We spent several days in Ottawa, we listened to speeches in the House of Commons and dealt with a stubborn minister, with a guy who did not even care to listen to any of our grievances. The minister will then say that he listened to them. He can very well listen to them for eight days and still refuse any help. Therefore, what is the point of those people coming here?

I wonder if we the 74 members from Quebec do not lose our time here receiving representatives from Quebec professional associations who call on the federal government, not to kneel down nor to ask for favours, but to have the farmers' rights recognized.

I just say that—

Mr. Speaker: Order. I regret very much to interrupt the hon. member. He seemed to be on the point of ending his remarks and I would like to remind him that his time has expired.

Mr. Asselin: Mr. Speaker, with the consent of the House—

[*English*]

Mr. Olson: It has already been too much.

Mr. Asselin: It has been too much for you, I am sure.

[*Translation*]

Mr. Guy LeBlanc (Rimouski): Mr. Speaker, I am pleased to give my opinion on that quite important and serious question now under discussion.

A motion has been brought in by the hon. member for Bellechasse (Mr. Lambert). All the members have agreed that today would be allotted to the opposition. This is the reason why the audience may have noticed that seven members of the opposition have spoken up to now and that only two government members, including the minister—I will be the third—have taken part in the debate.

It is precisely on account of the freedom of speech that all the members can speak.

The motion brought in by the hon. member for Bellechasse begins as follows and I quote:

That this House condems the government policy on the dairy industry—

I must admit that I do not understand, when reading that sentence, why the hon. member for Bellechasse, who in addition to being a member of the Ralliement créditiste is also a farmer, begins by condemning the government policy on the dairy industry.

Moreover, as several members opposite, I have noticed that he discussed matters which have been of concern to us for several months. Some of our colleagues opposite are asking us to act and all day long, the members of the Ralliement créditiste, especially, have only been harping on the same thing, while we want to act now.

• (8:00 p.m.)

Why want to condemn the government's policy? I would not say I think the Quebec farmers are the happiest of all Canadian citizens I do not think all the farmers' problems are solved. On the contrary. But between that and saying we must condemn the government's policy, there is a big difference, considering especially the fact that this government, to my knowledge, has not yet stated its agricultural policy.

As usual, every year around March, the Minister of Agriculture (Mr. Olson) states his agricultural policy. It is the first time, since I have the honour to represent the citizens of the constituency of Rimouski that the Minister, as early as November 18 1969, gave a complete account not of the government's policy but of the basic principles of a policy he will set forth some day and has not yet announced to the citizens and members of this House. That is what I understood.

I would ask my Créditiste friends to listen if they have not read this last paragraph of the minister's statement made in November 1969:

In conclusion, may I say this is the first time the department has announced well in advance—several months in advance—the changes which it is intended to make in these programs. We hope this early notice will be useful not only to members of the House but to the public who are affected enabling them to make their views known to us before the date on which the changes are actually made.

To my knowledge, the expected changes, as I understand, are not in force yet. According to the tradition in the House of Commons, ministers announce their policies in due course. To me, that is clear.

Before the Standing Committee on Agriculture of which I am a member, as most of the hon. members who spoke up to now, appeared representatives of all associations which like us are concerned with farmers' problems.

I shall not give their names because the list is very long. Representatives of the Catholic Farmers Union, of the National Farmers Union and dairy producers, as well as some officials of the department and the Minister of Agriculture himself attended the sittings and many farmers were also present.

These were more particularly interested in the dairy industry. They listened to the evidence in order to be able to make constructive criticisms with regard to the dairy industry before the expected changes become effective. Following these activities which go back to several weeks, we read the recommendations of the Standing Committee on Agriculture.

Section 2 is of a particular interest to the farmers and the hon. members. In fact, it recommends that in 1970-71, the support program for the dairy industry be maintained at the same level as in 1969-70, that is $125 million.

Generally speaking, all the recommendations made by the people we met were studied and followed by recommendations on the part of the committee.

As for us, the Liberal members, we had the opportunity, either in caucus or when we met the minister, to defend and support with all our might the requests of the farmers, not only of the province of Quebec, but from all parts of Canada, and of those who are interested in or who depend on dairy production for a living.

As for me, until such time as the officials of the Department of Agriculture have completed their studies, I shall do everything in my power to convince the minister to accept my suggestions and also to find a way to maintain the balance of our economy, so that the government of Canada or the Minister of Agriculture (Mr. Olson) might at least maintain, in some way or other, those $10 million required to encourage dairy production in Canada and in the province of Quebec.

So there is the problem. I am convinced, like the farmers who are listening to us now, who listened to us today and who voiced their grievances intelligently, like businessmen, that the problem will soon be solved. Some

members of the C.F.U. as well as their president, expressed their views, as always very intelligently, like businessmen, forgetting what was alluded to a while ago, namely electioneering, demagoguery and partisanship. They exposed their problems the way businessmen must do it.

Until now, it seems to me I have spoken of agriculture and dealt with the subject. I shall endeavour, until such time as the government makes a decision in this respect, to make every possible representation which my electors and the citizens of Quebec are asking me to make, so that the government may go on encouraging and promoting the development of agriculture.

I was surprised today to see that in spite of all the discussions we have had for months and months, the members of the opposition saw fit to recall all the very clever and relevant remarks which the farmers and the members of the committee have been making for the past two months.

Why did they stress so much things of the past? Because they want us to take action.

Mr. Dumont: Because we are the farmers' spokesmen.

Mr. LeBlanc (Rimouski): Some spokesmen, Mr. Speaker, indulge in psittacism.

An hon. Member: They do not know what it means.

Mr. LeBlanc (Rimouski): I would not like to use that method. Even though I may be no expert in agriculture, I am very keen on representing not only my electors but all the citizens of Quebec and of Canada when it comes to fighting for the economy of Quebec.

The opposition members have been dwelling month after month on the same old stories. The time has now come to sum it all up by telling them what we want to do.

The hon. member for Bellechasse (Mr. Lambert), to whose speech I listened with the greatest interest, talked at length about poverty. When we speak on such a subject before the people, we are unconsciously prone to misrepresentations, because of the circumstances.

• (8:10 p.m.)

Early in the session, the government decided to give some priority to the fight against poverty. On the other hand, I think the first responsibility of the Minister of Agriculture (Mr. Olson) is to co-operate, regarding the war on poverty, to eliminate regional disparities and to have business discussions with farmers, because other federal departments are charged with fighting against poverty, a problem that concerns all of us. I would not like, and I know that Canadian citizens do not think—

Mr. André Fortin (Lotbinière): On a point of order, Mr. Speaker.

The Acting Speaker (Mr. Béchard): The hon. member for Lotbinière on a point of order.

Mr. Fortin: Earlier, you told me that I was not talking about the matter before us. I would point out that the hon. member is not talking about agriculture but poverty. Perhaps he might be called to order.

The Acting Speaker (Mr. Béchard): Order. The hon. member for Rimouski must have heard the point of order of the hon. member for Lotbinière.

Mr. LeBlanc (Rimouski): Mr. Speaker, I was about to deal with the subsidy policy. I must admit I dwelled on the subject, but I know that among farmers—we heard about poverty this afternoon—

The Acting Speaker (Mr. Béchard): Order. I am sorry to interrupt the hon. member but his time has expired.

Mr. Romuald Rodrigue (Beauce): Mr. Speaker, I wish to speak on the motion now under study, on behalf of the 900 farmers in my riding who signed the petition asking for this debate on Canada's dairy industry.

I sincerely believe that such a debate was urgently needed. Indeed, the dairy industry of the industrial sector enables more than 130,000 families—including 45,000 in the province of Quebec—to obtain a major part of their income.

It is undeniable that the dairy policy of the Canadian government has a very direct influence on the income of farmers in the riding of Beauce and in the rest of the province of Quebec.

The place occupied by the milk industry in Canada's farm economy does not necessarily correspond to the wishes of the farmers themselves, but it is the result of a trend initiated and promoted by the federal government.

The dairy policy as a whole must he aimed at providing a fair income for the efficient producer. The Minister of Agriculture (Mr.

Olson) said so himself at the annual meeting of the Canadian Federation of Milk Producers held in Quebec City in January 1969, when he defined the role of the Canadian Dairy Commission and the long-term objective of the Canadian government in that respect.

Here is what he said, and I quote:

> The extent of this intervention was confirmed in 1966 by the adoption of the Canadian Dairy Commission Act, with a view to providing fair returns to producers whose system is efficient, and adequate supplies of dairy products for the Canadian consumers.

Such is the long-term objective which the Canadian government is aiming at.

The main long-term objective of the government as regards the dairy industry is the stabilization of milk prices in order to guarantee a fair income to the producer. Disregarding this objective or taking a backward step would very likely force a great many producers into bankruptcy or simply, although indirectly, force them to leave the farm sector.

In view of the present attitude of the federal government, we may wonder as to whether this is not the purpase of the government.

The changes made in April 1969 to the dairy policy by the federal government and the Canadian Dairy Commission in particular, and those they intend to bring in, that is a reduction of $10 million in subsidies, as well as the development of the dairy industry during these last years are so many factors which have contributed during the last two or three years to lower appreciably the net income of Canadian and Quebec farmers in particular. Such a decrease in income occurs at a time when the cost of goods and services to farmers as well as the cost of living on the farms increase day by day.

The farmer, like any other worker, has to put up with inflation whose effects are painfully felt. Many farmers have had to give up production and if the government implements the policy envisaged many more will give up.

Inflation decreases the real income of superannuated people and others who have fixed incomes and makes it difficult to carry out the essential objective of guaranteed minimum incomes. Inflation can also slow down development, an essential objective.

Farmers made huge contributions to reaching that objective. The farm price index has increased only by 19 per cent from 1949 to 1967, while the retail price index and the wholesale price index increased respectively by 49 per cent and 32 per cent respectively during the same period.

Farmers were able to limit the increase of farm product prices to such a low percentage while other segments of the economy increased considerably more, thanks to the major investments they have made during the last two decades, to the improvement of their livestock and facilities. Those are so many factors which have contributed to the improvement of the quality of their production and to a higher efficiency.

Whether it be in the western or eastern provinces, agriculture in general is meeting serious difficulties and we cannot afford to let it stagnate.

Besides, the dairy industry is not the only industry subsidized by the government. Others such as collieries, transportation companies, gold mines, receive major subsidies. Bearing in mind the number of people employed by these industries, the subsidies granted them are as high as those granted the dairy industry. Moreover, is not the tariff protection enjoyed by some industries some kind of disguised subsidies?

Let us suppose that an important number of dairy producers gave up production to undertake other farming activities, or to go on an early pension owing to anticipated pension plans, it would nevertheless be necessary to create jobs in other economic sectors. However, this would cost about $30,000 per job and at times more, without taking into consideration investments required for housing, social and other services.

• (8:20 p.m.)

The lack of investment capital is presently deplored, and the government is forever announcing new programs, apart from creating new jobs. There are comparative successes here and there, but the objectives decided upon are far from being reached.

As for the use of manpower in other sectors of the economy, it does not appear likely, even if those people were encouraged to take advantage of the intensive retraining programs. This appears even less likely in eastern Canada where the unemployment rate is high.

In any event, those who would be the first to suffer from this disruption are the producers over 45 years of age. It would be difficult for them to acquire new professional skills and to adapt to an urban environment. At any rate, according to the report of the planning commission, which deals with the

problem of low-yield farms, during the next decade it will be extremely difficult to create in the other sectors of the economy enough jobs to take care of the normal flow of people from rural areas.

In the constituency of Beauce it will be very difficult, I think, for displaced persons to get immediate employment in the shoe, textile, manufacturing or lumbering industries because during these last months such industries had to lay off temporarily a great many workers and right now their production is lower than their capacity to produce due to lack of orders.

The textile industry is now slackening to a rather large extent. In St. George de Beauce, a plant whose staff normally comprises 275 employees had during these last weeks to lay off 50. It is expected that it will employ less than 200.

I understand it is difficult to dispose of the surplus dairy products on world markets which are already flooded with goods from Common Market countries.

Other industries, such as the footwear and textile industries, are also faced with problems resulting among other things from imports of products from Asian and European countries. Now I do not see the possibility of displacing farm labour, which will be affected by the intended changes, to the other areas of the economy to which I have just referred, because there already is a manpower surplus in those industries.

A few days ago, the President of the Treasury Board (Mr. Drury) tabled the Estimates for 1970-71. I could see that large appropriations will be allocated to the Department of Regional Economic Expansion, as well as to the Department of Manpower and Immigration, for the improvement of manpower. That increase totals close to $90 million.

I greatly appreciate the efforts that the government intends to make with respect to creating new jobs and retraining manpower, which in my opinion are projects of very great importance. However, I believe it just as important to concentrate our efforts in order to maintain existing jobs in agriculture as well as in industry, even if the government must allocate extra amounts to that end, as it should concerning the dairy industry, to allow the farmer to earn a decent income.

The approach of the producers to the matter is clear and definite. They want the price of milk to increase at the same rate as production and living costs. To reach that goal, there is but one solution. The government should review its position and increase the grants paid to the Canadian dairy commission.

[*English*]

Mr. Ross Whicher (Bruce): I find it difficult to take part in the debate tonight, Mr. Speaker, for several reasons. For many years I have been a member of the party which supports this government; I have been loyal for many years. But I must tell the House tonight that I simply do not agree with the policy of the Minister of Agriculture (Mr. Olson) and the government in cutting $10 million off the subsidy to the Dairy Commission of Canada.

Some hon. Members: Hear, hear!

Mr. Whicher: I am not sure whether that applause from my left is execution applause or not. In any event, those are my sentiments and I intend to stand by them in the time allotted to me tonight. I am not taking this course without having informed the members of my party; they appreciate the situation in which I am involved. I have let them know what my position is, both privately and in other places.

It is difficult to criticize the Minister of Agriculture, for several reasons. First, he is a very nice fellow and I am sure he was sincere when he said this afternoon that he was interested in giving the agricultural people of Canada a just deal. I have no doubt in the world that he was speaking the truth. I do not think we who are critical of the policy to be followed should put all the blame on the Minister of Agriculture. After all, he is only one member of the government, and when a substantial amount of money to the tune of $10 million is to be cut off I would say that the government as a whole should share the blame for it.

Some hon. Members: Hear, hear!

Mr. Whicher: Since the minister is such a fine fellow and a real gentleman, I would say that when the first certificate is given for doing a good job in the anti-inflation drive it should be given to the Minister of Agriculture, because no sector of our economy has done more to fight inflation than agriculture—in particular, the dairy industry. In almost every area there have been cuts. The subsidy on hogs has been cut. That is good for the inflation battle. The subsidy on milk has been cut. That, too, is good for the inflation battle. The subsidy on freight rates for feed from western Canada has been cut. This

is not all. The price of many agriculture products is lower than it was several years ago. On this basis I would say the farmer and the Minister of Agriculture have done more to fight inflation than anyone in the land.

I want to make one thing clear. I am absolutely, completely and unalterably opposed to subsidy. As far as I am concerned, if we could do away with all subsidies in Canada I would be the first to stand and cheer. But as long as we provide subsidies for our coal mines, as long as auto manufacturers and the workers who make cars are subsidized through tariff protection and cars bought in Windsor or Oshawa cost $200 or $300 more than they do in Detroit, I think it is only right there should be subsidies for agriculture and in particular for those who work in the dairy industry. I see no justification whatsoever for lowering the subsidy at this time.

The agricultural industry, particularly the dairy industry, is at the low end of the economic totem pole. This is a situation which I do not wish to see continue. As a backbencher sent here to support the government, I believe we have an obligation to support it when it is right. But I say—I have also said it to my hon. friends in this chamber—that in addition to being sent here to support the government, we were sent to support the people back home.

Some hon. Members: Hear, hear!

Mr. Whicher: Many of the people in my area are farmers and I do not have the slightest intention of letting them down, not one of them. Much was made this afternoon of the fact that there is considerable overproduction in the dairy industry. There is no question about this. The biggest surplus is in powdered milk, and I am told there is less powdered milk on hand today than was the case a year ago. It is true we have too much butter. I say to the Minister of Agriculture, to the government and to the salesmen who represent Canada all over the world: Get off your seats here in Ottawa. Get out into the world market and sell the stuff.

Some hon. Members: Hear, hear!

• (8:30 p.m.)

Mr. Whicher: Having had long experience in small business, I would say that the first loss is always the best loss. If you have to sell your product at a depressed price, do it today and not in five years' time. This will save you a lot of money in storage charges and we must remember that interest rates today are substantial. So long as the price is reasonable, sell your product.

After all, last year the minister told us that we were selling powdered milk at six or 6½ cents a pound. Today we are selling powdered milk on the world market at 10 cents a pound. Last year the dairy subsidy was $125 million. This year, when the world market price has improved, the subsidy is being cut. As far as selling powdered milk is concerned, we have done a reasonably good job, though the price could of course always be improved.

Who subsidizes the sale of powdered milk in world markets? Does the government give any indication to some of our city friends who are possibly unfamiliar with the dairy business that the government is subsidizing powdered milk sales in world markets? Every member who comes from a rural riding will know that the dairy farmers of Canada subsidize their own overproduction and the amount of milk that is sold on world markets, and it is they who should get the credit for it. I should like someone to show me any other industry in Canada that subsidizes the sale of its own product as much as the dairy farmers of Canada subsidize theirs.

There is not a great deal more I wish to say; much has already been said. I want my constituents and the members of this House to know exactly where I stand on this question. As I said at the beginning, I am against subsidies. But something must be done for people in agriculture. Today there are half as many farmers in Canada as there were 20 years ago. We are slowly starving them into submission. As far as I and my vote are concerned, this is not the way agriculture should be treated.

Our farmers deserve the same treatment as that received by labour, which has had substantial increases in income over the years. Our corporations have also made larger profits. I do not deny them these for a moment; however, if every other sector of the economy has the right to move forward financially, so have those engaged in the dairy industry.

That is all I have to say, Mr. Speaker. Certainly I hope there is no member here tonight who does not know where I stand on the question of a dairy policy for Canada.

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, I am very happy to follow the last speaker, because having sat through the proceedings in the House today I began to think that only the provinces of Quebec and

Ontario had problems in the dairy industry. The government has evolved a national dairy policy and regards the problems of the dairy industry as national problems. A glance at the list of speakers today indicates that about eight of the speakers so far are either from Quebec or Ontario. I do not know whether I am fortunate or unfortunate to be recognized. I get picked on for whatever I say, I know, but I do not worry too much about that any more. However, we are not considering a policy that concerns only the provinces of Ontario and Quebec.

As hon. members know, I come from another part of the country. I have observed a very good representation from Quebec in the gallery tonight, and I am glad to see they are interested enough in dairy problems to come and listen to the debate. We are talking about things they should know. It is only right they should know what is going on in the rest of the country. Before I develop my remarks this evening, Mr. Speaker, I ask your permission to have four tables to which I shall refer later printed in *Hansard*. I ask your permission at this time because I shall be referring to these tables.

The Acting Speaker (Mr. Béchard): Does the House agree that these tables be printed in *Hansard* as part of the hon. member's speech?

Mr. Korchinski: I may say the tables were provided to me by the Department of Agriculture during the proceedings before the agriculture committee.

The Acting Speaker (Mr. Béchard): Is this agreed?

Some hon. Members: Agreed.

Mr. Korchinski: I thank the House very much.

[*Editor's Note: The tables referred to are as follows:*]

CHEDDAR CHEESE—PRODUCTION AND CALCULATED CONSUMPTION

	1968			1969		
	Production	Consumption	Difference	Production	Consumption	Difference
	— '000,000 lb. —					
Prince Edward Island	2.0	0.7	1.3	2.2	0.7	1.5
Nova Scotia	1.2	4.7	(3.5)	1.6	4.9	(3.3)
New Brunswick	0.6	3.9	(3.3)	0.5	4.0	(3.5)
Quebec	71.3	36.9	34.4	68.5	38.2	30.3
Ontario	83.7	45.5	38.2	86.0	47.6	38.4
Manitoba	2.0	6.0	(4.0)	3.1	6.3	(3.2)
Saskatchewan	—	6.0	(6.0)	—	6.1	(6.1)
Alberta	3.3	9.6	(6.3)	2.9	10.0	(7.1)
British Columbia	1.7	12.5	(10.8)	1.8	13.2	(11.4)
Others	—	3.4	(3.4)	—	3.6	(3.6)
CANADA	165.8	129.2	36.6	166.6	134.6	32.0

DRY SKIM MILK—PRODUCTION AND CALCULATED CONSUMPTION

	1968			1969		
	Production	Consumption	Difference	Production	Consumption	Difference
	— '000,000 lb. —					
Quebec	220.0	45.4	174.6	244.7	49.7	195.0
Ontario	115.3	55.9	59.4	114.5	61.9	52.6
Other Provinces	23.5	57.3	(33.8)	19.4	63.4	(44.0)
CANADA	358.8	158.6	200.2	378.6	175.0	203.6

CREAMERY BUTTER—PRODUCTION AND CALCULATED CONSUMPTION

	1968			1969		
	Production	Consumption	Difference	Production	Consumption	Difference
	—'000,000 lb.—					
Prince Edward Island	4.3	1.8	2.5	4.6	1.7	2.9
Nova Scotia	2.0	12.2	(10.2)	2.6	11.5	(8.9)
New Brunswick	3.8	9.9	(6.1)	4.2	9.5	(5.3)
Quebec	154.2	94.9	59.3	170.3	90.6	79.7
Ontario	100.1	117.0	(16.9)	98.7	112.9	(14.2)
Manitoba	17.6	15.6	2.1	17.2	14.9	2.3
Saskatchewan	16.0	15.4	0.6	15.9	14.5	1.4
Alberta	32.0	24.6	7.5	29.5	23.6	5.9
British Columbia	5.2	32.2	(27.0)	4.3	31.4	(27.1)
Others	—	8.8	(8.8)	—	8.5	(8.5)
CANADA	335.2	332.4	2.8	347.3	319.1	28.2

NUMBERS OF QUOTAS WITHDRAWN FROM SHIPPERS WITH LESS THAN 420 POUNDS BUTTERFAT IN PREVIOUS YEAR

	Quotas Withdrawn In			
	1968–69		1969–70	
	No.	lbs. b.f. ('000)	No.	lbs. b.f. ('000)
Prince Edward Island	528	176	88	26
Nova Scotia	1009	203	83	24
New Brunswick	587	170	97	29
Quebec	2974	516	385	102
Ontario	2151	541	328	85
Manitoba	4031	914	491	139
Saskatchewan	9090	1,784	819	241
Alberta	6233	1,417	682	189
British Columbia	209	48	22	6
CANADA	26812	5,769	2995	841

NOTE. Numbers of quotas withdrawn is actual. lbs. butterfat is estimated.

Mr. Korchinski: Although I come from Saskatchewan, let me say at once that I recognize that the dairy industry in Ontario and Quebec has problems and that the farmers need more money. Farmers everywhere are hemmed in by costs. As surely as the day will come when we will all die, the operations of dairy farmers will one by one be strangled by costs. In this respect they are no different from the dairy farmers of Saskatchewan.

I am not going to tell the House a story different from the one I tell the people of Saskatchewan. I want the people here tonight to know that we have every sympathy for them. We recognize they are not getting enough money for their products. I should also like them to know that according to the tables I have presented to the House for consideration, out of a total of 30,000 people whose subsidies have been cut off, 10,000, or one third, came from Saskatchewan. These 10,000 people in my province have just as big a problem as those in our gallery tonight. I am not sure whether these 10,000 farmers all come from my constituency, but they do come from the province of Saskatchewan.

Mr. Deakon: They have been assisted by the Liberal government.

Mr. Korchinski: I hear my hon. friend from Toronto starting to interrupt, so let me pursue this matter further. All shippers who supplied less than 420 pounds of butterfat had

their subsidies cut off. There are a lot of small farmers in Saskatchewan. According to the Minister without Portfolio from Saskatoon (Mr. Lang), these farmers are to be given two years holiday without pay. Is he going to give two years holiday without pay to the Quebec farmers? I ask this question because in that province last year there was a surplus of creamery butter amounting to 80 million pounds. Some may ask: Why is there alienation? Why are we worrying about what is happening in the west? Why are we talking about things in the way that we are? Well, Quebec spoke its piece and we are going to speak ours.

• (8:40 p.m.)

I am not one to be very shy in this House and I tell you, Mr. Speaker, that the reason we are annoyed is that subsidies were taken away from 10,000 dairy producers in Saskatchewan and given to somebody else. This is what I am annoyed about. But that did not reduce the over-all subsidy and these people still deliver their cream. They do so because they need the dollars they get for it, irrespective of subsidy.

Do hon. members know what all those people who were cut off subsidy because they could not deliver 420 pounds of butterfat contributed to the national output in the last two years? Saskatchewan producers contributed perhaps 2 million pounds. Do you know, Mr. Speaker, that our butter surplus today is 90 million pounds? Where did 80 million pounds of that surplus come from? It came from Quebec. Why should I support this kind of dairy program? We should have a proper national dairy program. If he had sense, the minister would have stayed here to listen to me. I spoke to him during the dinner hour and he knew that I was going to contribute to the debate. But he could not care less. However, I know he will read my speech, or his assistants will.

Why should we have to transport that butter from Quebec to western Canada and on into British Columbia, where there is a 28 million pounds deficit? Why should we pay the freight on it? Who in B.C. is going to get milk from Quebec? Nobody. Why should we have to get butter from New Zealand? Does that make sense? Is this the type of dairy policy toward which we are headed? Earlier I said that I did not know whether we should scrap the program or the Canadian Dairy Commission.

[Mr. Korchinski.]

An hon. Member: Scrap the government.

Mr. Korchinski: I think we should scrap them both. They deserve every credit for trying, but having tried they have failed. These people at the lower end of the ladder are still going to deliver cream. They have delivered it, and they will continue to deliver it. Many of these people are trying to diversify their operations. The Minister of Agriculture (Mr. Olson) is one of the greatest guys in the world for encouraging diversification. My own minister from Saskatchewan tells me we have to do these things. Mr. Speaker, what do we have to do? The government denies us every opportunity; but later they will regret it.

It was all right when some of the friends of separatism came to this House from Quebec. I am not suggesting for one moment that we in the west will separate. I think we have more guts out there than a lot of people who said they would separate. We are going to stay in Canada. We are going to fight for our rights in Canada. I only hope the minister will listen to reason and put the policy on a regional basis.

On January 21 last, the president of the National Dairy Council of Canada stated:

> —the experience of the past few years has demonstrated all too clearly and unhappily the failure in the administration of national policy to recognize and provide the necessary flexibility to cope with the inherent regional differences in the structure and economics of the enterprise.

I am talking not only of western Canada; I am talking about the maritimes and the eastern townships of Quebec. I am not talking provincially; I am talking in terms of whole regions. The government must realize that if it is to solve the problems of transportation and storage, we must call a spade a spade. Where is the surplus developing? It is right here in central Canada. Why should the producers in Saskatchewan have to pay for this when people in other areas are creating the surplus? But we have pulled in our horns. Every province except Quebec has pulled in its horns. Quebec has increased its production. Is this going to continue at our expense? Somebody has to call a spade a spade and I am not too shy to do so.

Mr. Guay (St. Boniface): Will the hon. member allow a question?

The Acting Speaker (Mr. Béchard): Order. The hon. member for St. Boniface wishes to ask a question of the hon. member.

Mr. Korchinski: He could have spoken before. You know that Saskatchewan is in a deficit dairy position. The quota—

[*Translation*]

The Acting Speaker (Mr. Béchard): Order! The hon. member for Saint-Boniface (Mr. Guay) on a point of order.

[*English*]

Mr. Guay (St. Boniface): Mr. Speaker, I am very concerned about the last statement made by the hon. member. I would like to ask him a question.

The Acting Speaker (Mr. Béchard): This is not a point of order. The hon. member for Mackenzie (Mr. Korchinski).

Mr. Korchinski: I think I should be allowed to continue.

[*Translation*]

The Acting Speaker (Mr. Béchard): Order. The hon. member for Saint-Boniface (Mr. Guay) is rising on a point of order and he also wishes to direct a question. He knows quite well however that it is out of order.

The hon. member for Mackenzie.

[*English*]

Mr. Korchinski: For the information of everybody in the House may I indicate that Saskatchewan is in a deficit position with regard to dairy quota. It holds a quota of 10,300,000 pounds and uses 13.5 million pounds. What is wrong with the Canadian Dairy Commission? What are they looking for? Why are they hemming us in? Why have they cut us off? We have not contributed to the over-all surplus, yet this action has been taken against us.

It is rather interesting to note that I have been recognized at the tail-end of this discussion tonight. It is interesting to see where the problem really lies. Those who spoke for Quebec producers want the $10 million. Where did this reduction of $10 million affect people most? I do not have to answer that question, Mr. Speaker, because you know where. I will not dwell on it. I wish them the best. I hope they get it. But I hope hon. members will look at the other side of the coin and remember that Canada is not only central Canada. When I heard the Minister of Agriculture say during the committee meetings that we were going to balkanize these things—

The Acting Speaker (Mr. Béchard): Order. I regret to interrupt the hon. member but his time has expired.

• (8:50 p.m.)

Mr. Mark Rose (Fraser Valley West): Mr. Speaker, I am very pleased to take part in this debate tonight. It would seem, from the number of people in the gallery, that the dairy industry in the province of Quebec must be in a very grim state indeed, because it has caused all these visitors to make the trek to Ottawa to listen to this debate. I do not believe people would become involved in the expense of forming such a large delegation just for fun. They must have legitimate problems, otherwise they would not be here. I believe it is significant, also, that many of these people have chosen members from parties other than the two old-line parties to represent them, because in the past they have been unable to achieve the kind of success they desired through those members. They have chosen, instead, to seek spokesmen from outside the two old-line parties.

The dairy farmers in my area are not affected greatly one way or another by the subsidy on milk, but I do not think it follows from that that they have no sympathy for the people who are so affected. I am told the dairy farmers in the province of Quebec depend for at least 25 per cent of their return on this particular subsidy. It also seems a tragedy to me that at a time when two-thirds of the people in the world go to bed hungry, we should have a minister who would stand up here and express concern about the surplus of various food products in this country. There are 3.5 billion people in the world today. In 25 years it is expected there will be 7 billion people. In terms of the hungry people of the world, we cannot begin to feed the people on the earth today. We might ask ourselves whether there will be a surplus in three or four years from now in wheat and dairy products. I do not think this is a long-term problem if we can find a means of providing these commodities to the people of the world who really need them.

Earlier this afternoon we had a prolonged debate in the House about the inability of Canada to feed some starving Métis people. Some of the grain farmers of Saskatchewan had offered to grind flour to help feed these people. We have surpluses in many products. Where are the surplus food products, so far as these Métis people are concerned? They do not exist. We cannot really begin to feed the

people we have in Canada, despite the surpluses. What are we doing about the hungry people of the world? Our record in foreign aid is pitiful if not shocking. What does it matter if we sell milk powder at 6 cents a pound when the world price is 20 cents a pound? This is a way in which Canada could make a contribution to the under-developed countries of the world.

A previous speaker spoke about the deliberate long-term policy to move people off the land. This is a policy designed to make it impossible for them to live in the rural areas and maintain a decent standard of living. In the past 25 years, 1½ million people in Canada have been herded into the cities. They have come from the farms, to say nothing of those who have come from logging areas, fishing villages, the outports and other small rural communities of Canada. What have been the consequences of these moves? Some of the members from Toronto are concerned about urban problems. A good many of these almost insurmountable and complex urban social problems have been the result of this movement of people. These problems include the provision of educational facilities, soaring urban welfare costs, impossible transportation difficulties and pollution due to crowding.

An hon. Member: And welfare costs.

Mr. Rose: Welfare costs are soaring. There is not even a definite method by which the municipalities can finance their waste disposal systems, because they cannot obtain the cash required to provide the necessary treatment plants. There are enormous pollution costs. These things are all a reflection of the new enclosure movement. The old way of life has been altered. All over our country we find that railway stations and post offices have been closed.

The reduction in farm income has been such that small communities across the country have vanished. I believe small communities are a living testimony to human endeavour; they are part of the history and achievement of our people. But now they are dead; they are merely monuments of the past. Where are the sidewalks, the churches, the schools and the small businesses, as well as the people who depended upon these things? This trend has continued without any real regard for its social consequences. Do we really know the cost, in social terms, of the disruption when a rural family is forced into the city?

[Mr. Rose.]

In my view, if a cost-benefit study were ever undertaken we would find that in the long run it would be better to keep the dairy farmer and the grain farmer on the land to produce the food the world needs. I believe it is evident that we will need more of them in the future, even if it becomes necessary to subsidize them at a higher level than is the case today. What is the difference between subsidization of transportation and welfare costs in the cities and subsidization of the rural way of life? Many people find rural life attractive and do not wish to leave their farms unless they are forced to do so.

I do not know why there is all this fascination for urban growth. I wonder if anyone knows what it is all about. This trend has developed not only in Canada; we see it also in the nation to our south. Much of the difficulty in respect of the farmers is that they have never really been told what to do. They were told to produce, and then to diversify. They have been over this route two or three times. Then they were told to become more efficient. I believe much of the problem in respect of our farmers stems from the fact that they have become too efficient.

The farm increase in productivity has been much greater than that in many other industries. At the same time that their productivity has increased, their reward has become much smaller. When people are forced off the land, what takes their place? I will tell you: it is the factory farms. This type of situation leads to vertical integration about which we heard this afternoon: a large corporation owns the land, plants the crop, processes it and sells it in the cities. They really control the price, and it becomes a non-competitive price. This has an effect on the cost of groceries in the cities. Such corporations control the market. This trend is continuing.

Earlier we heard that 300,000 farmers have left the farm in the last 25 years. What has become of them? Who is taking their place? I believe this situation should be examined. I am not pointing a finger in any particular direction. It may be that a trend toward urbanization is going on everywhere in the world. However, I believe we should look into the situation to determine whether it would be more efficient to keep people out of the large cities and do what we can in order to maintain the size and viability of the rural communities.

We have often heard that the family farm is the basis of the agricultural industry. We must protect the family farm. For whom, and

from whom, must we protect it? From the socialists? Not from us, Mr. Speaker, but from the corporate farmers; the new, collective farmers. We have heard that the collective farm system will not work. The new, corporate farm is the collective farm in which people are employed in a way similar to that used in a factory, where there is complete control of the industry from planting to selling.

• (9:00 p.m.)

As I said earlier, British Columbia does not receive a great deal of benefit from this particular subsidy. My province gets less than 1 per cent of the $125 million. I will tell the House the reason for this. It is that we have switched to an almost totally fluid milk market. I should like to cite some figures which I think will explain this situation. I will quote from a submission by the Mainland Dairymen's Association. Out of Canada's five billion pounds in terms of fluid sales, British Columbia sold roughly 10 per cent. Out of seven million pounds of butter, British Columbia sold 1.5 per cent. Of almost 2 billion pounds of cheddar cheese, British Columbia sold 1.3 per cent. Of about 350 million pounds of skimmed milk powder, British Columbia sold 1.67 per cent.

So of all the manufactured milk used in factories, totalling some 11 billion pounds, British Columbia produced about 3 per cent. Therefore, we find that of the manufactured milk which is causing problems of surplus butter and skimmed milk powder, British Columbia is producing about 3 per cent. I should like to assure the House that we could produce more if we wanted to. I should like to quote further from the submission of the Mainland Dairymen's Association. This is what they said:

> In the picture shown by the figures above, it is difficult for us to accept some responsibility for the surplus of manufactured milk products. We would point out that the picture of the B.C. dairy industry as shown above, did not come about accidentally. The comparatively high cost of all inputs used in dairy farming in B.C. and the national market climate for manufactured milk products, forced us to take some action to ensure the fluid milk supply and survive as milk producers. This resulted in the kind of provincial milk industry legislation that we operate under today, which is based on high fluid utilization producer quotas.
>
> This did not come about painlessly. In 1962, all fluid milk quotas were reduced to less than 66 per cent of the previous level, and since that time quota increases have been based on the increase in fluid sales.

I could quote at much greater length from this brief, but the picture is clear. In 1962, the legislation forced the dairymen to reduce their production of milk by two-thirds and kept them out of surplus production. Further on the brief reads:

> We do not need to be convinced of the value of, or the need for supply management at the national level as a means of avoiding increasing surpluses and of regulating our milk supply to the domestic demand for fluid milk and dairy products.
>
> However, our progress at the provincial level puts us in a position where we find it difficult, or perhaps impossible to participate in any of the methods of supply management that have been proposed thus far.
>
> It is impossible for us to accept the concept of market sharing quotas based on individual production, in any base period, for the following reasons:
>
> The B.C. fluid market has maintained a reasonably constant increase since 1963.

But this increase has come about, not because of increased consumption but an increase in the population in that area. This does not mean that we do not have any problems in British Columbia, that we have solved all of them and "Ha, ha; tough luck for the rest of you." Dairy farmers in British Columbia are becoming less numerous, and they—I think it is only fair to say what the previous speaker said: we have to be frank about these things—do not believe they are getting their fair share of the $125 million subsidy.

The Acting Speaker (Mr. Béchard): Order, please. I regret to interrupt the hon. member but his time has expired.

[*Translation*]

Mr. Marcel Lessard (Lac-Saint-Jean): Mr. Speaker, I am happy to take part in the debate on the motion of the hon. member for Bellechasse (Mr. Lambert).

Besides, having heard the speech of the mover and that of my friend, the hon. member for Joliette (Mr. La Salle), who both described the agricultural situation in Quebec and in Canada in the gloomiest terms, I am somewhat puzzled and I wonder whether we are not wasting some of our time dealing with an industry which, according to them, would be on the verge of bankruptcy.

I confess frankly that being from Quebec, I was not particularly pround to hear these hon. members, who claim to speak on behalf of farmers from Quebec, and even from Canada, showing so little logic and, should I say, a sheer lack of intellectual honesty. From

what they say, one could think that all Quebec farmers are beggars.

Mr. Speaker, although I am not a farmer, I represent a riding which is mostly rural and I strongly object to the impression that is being deliberately created among members of Parliament. I repudiate the whole idea, because in my riding which is far from being the top one in the province, there are about 800 farmers. In agriculture as in any other profession, some people are entirely successful, others do reasonably well, and unfortunately some are poor and, for various reasons have trouble making ends meet.

To claim that the agricultural situation in Quebec is desperate—

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

The Acting Speaker (Mr. Béchard): Order. The hon. member for Frontenac rises on a point of order.

Mr. Dumont: I would like to call your attention to the fact that according to the member for Lac-Saint-Jean, the members for Bellechasse and Joliette said that the farmers are beggars. But these two members have never said such a thing. They only said—

The Acting Speaker (Mr. Béchard): Order. It is not a point of order.

• (9:10 p.m.)

Mr. Lessard (Lac-Saint-Jean): I said that was the conclusion I arrived at from the arguments put forward by those hon. members.

Mr. Speaker, I do not claim that there are no problems and that the government should disregard the situation of agriculture, quite the opposite. However, it should not be considered that the mere fact of today's debate in the House will solve the problem. Absolutely not, because several hon. members made political and partisan speeches which made no constructive contribution to the debate. I can even mention my friend from Joliette (Mr. La Salle) opposite, who went so far as to mention this afternoon that some of the ministers were absent from the House, whereas the hon. minister of Regional Economic Expansion sat there an hour listening to his speech, so that—

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

The Acting Speaker (Mr. Béchard): Order, please. The hon. member for Lotbinière on a question of privilege.

[Mr. Lessard (Lac-Saint-Jean).]

Mr. Fortin: Mr. Speaker, I have just heard the member for Lac-Saint-Jean say that the proceedings of the House do not settle any problem whatever.

I feel this is an attack on my privileges as I think that if we want to and if we are responsible, we can settle the problems that crop up. But if we adopt the attitude of the member for Lac-Saint-Jean we will never settle anything here.

Some hon. Members: Oh, oh.

Mr. Lessard (Lac-Saint-Jean): We are all aware, as are our friends in the galleries, of the type of co-operation offered by the Creditistes when certain members want to express their opinions in the House.

Fortunately the many farmers in the galleries have not all been fooled by our discussion today. It seems that empty talk does not necessarily produce practical solutions to the situation. It is rather the positive concrete dialogue such as we had in the committees today, for instance, and during previous meetings between members of Parliament and the farmers themselves, that is profitable.

The conversations we have with the minister in caucus, when a problem may be discussed at length, provide real opportunities to find actual solutions.

Personally, I know what it means to be in the opposition and how easy it is to criticize the government. But it is not that easy for somebody with ministerial responsibilities to find concrete solutions to problems.

The situation is difficult and I admit it. But it is far from being desperate considering the facts and figures. When it is maintained, for instance, that the number of farmers engaged in the dairy industry has greatly decreased, I can give official figures in this connection.

In 1956, for instance, there were 398,000 farmers engaged in the dairy industry in Canada, whereas there were 221,000 in 1966. A closer look at those figures reveals that 172,000 of those farmers, therefore quite a bit more than half, had herds of 17 cows or less, and an interesting point is that in 1956, 135,000 farmers had only from 3 to 17 cows.

So, it is normal that the group should be smaller, as the farms were consolidated. I know very well, as I have discussed the matter with the farmers themselves and with their leaders, that they admit that for a large number of these small operators who, after all, derived only a supplementary income

from their land, dairy farming was not their main occupation.

Now, it could—

Mr. Lambert (Bellechasse): Mr. Speaker, I rise on a point of order.

Mr. Lessard (Lac-Saint-Jean): Mr. Speaker, I realize that I am going to be interrupted, like that—

The Acting Speaker (Mr. Béchard): Order!

Mr. Lessard (Lac-Saint-Jean): —across—

Mr. Lambert (Bellechasse): Mr. Speaker, on a point of order.

The Acting Speaker (Mr. Béchard): The hon. member—

Mr. Lessard (Lac-Saint-Jean): You see, Mr. Speaker.

The Acting Speaker (Mr. Béchard): —for Bellechasse, on a point of order.

Mr. Lambert (Bellechasse): The hon. member for Lac-Saint-Jean may be assured that it is not a filibuster. Only the—

The Acting Speaker (Mr. Béchard): Order—

Mr. Lambert (Bellechasse): It is the figures that you quoted—

The Acting Speaker (Mr. Béchard): Order! I would suggest to the hon. member to address the Chair.

Mr. Lambert (Bellechasse): Mr. Speaker, on a point of order.

I should like that the hon. member from Lac-Saint-Jean tells the House how many dairy producers were registered at the Canadian Dairy Commission.

The Acting Speaker (Mr. Béchard): Order.

Mr. Lambert (Bellechasse): —in 1966.

The Acting Speaker (Mr. Béchard): Order. The hon. member knows very well that it is not a point of order.

Mr. Lessard (Lac-Saint-Jean): Mr. Speaker, I will come back to that. I was referring to Catalogue No. 96 published under the auspices of the Department of Agriculture by the Dominion Bureau of Statistics. If this is not good enough, where can we find anything better.

In any event, I have here statistics which show us that there exists a group of people—and the fact is recognized by everybody—which should engage in something else to turn than the dairy industry.

In reply to a question on the order paper—and this answers the precise question of the hon. member for Bellechasse (Mr. Lambert)—it is said that there were 68,500 registered industrial milk producers in 1966. There were 103,000 cream producers. In Quebec, at the same time, there were 41,000 industrial milk producers as against 16,000 cream producers. In Ontario, there are 22,000 industrial milk producers compared with 15,000 cream producers. I am talking about producers registered with the Canadian Dairy Commission in 1968-1969.

In 1967, there were 65,000 industrial milk producers in Canada and 88,000 cream producers according to the official figures of the government.

It would be interesting to study the evolution of the production in each province. I think this is an important factor.

To sum up, when you consider dairy production as a whole in Canada—and this is why the situation is far from being hopeless—I say it is a question of technical adjustments.

In 1964—still according to the figures of the Dominion Bureau of Statistics—the production of milk stood at 18.5 billion pounds.

In 1968, four years later, it stood at 18.335 billion pounds. There was a decrease in all provinces except New Brunswick, Quebec and British Columbia.

Therefore, this is not a desperate situation, far from it. It is a matter of technical adjustment and I think that is precisely what is being done at the moment. Governments, federal as well as provincial, together with farm associations, are in the process of working towards those adjustments which will bring good results in the end.

The Commission was established just over three years ago. It has set up quotas and increased the financial contribution of the government. I have here an official government paper. Again it is a question put on the order paper in answer to which was given the amount of the subsidies paid directly by the government, through the Canadian Dairy Commission, to industrial milk producers.

We can see that for 1965-66 $7,546 million went to Quebec while the whole of Canada got $19 million. With the setting up of the Canadian Dairy Commission, the figures were as follows: Canada $70 million and Quebec $31 million in 1966-67. In 1967-68 it was $93 million for Canada and $41 million for Quebec.

Therefore there has been some progress and there are figures to prove it. Is it enough? This is another question and I think that we can all agree to hope for better and more. I do not think that anyone will object to that.

In fact, following a study by the committee, a report was tabled. Its main recommendations were accepted, I think. Personally I do not agree, and I am not alone, with some of them.

I would now like to reply to the hon. member who said earlier that in the province of Saskatchewan the quota system ought to be restored. Because if there are surpluses now, they are found only in central Canada, Quebec and Ontario, which is no fault of the rest of Canada which should not be penalized for it.

I will tell him in reply that there are no wheat surpluses in eastern Canada either. Wheat surpluses exist in western Canada and I do not think that eastern Canada should be penalized for the wheat surpluses in western Canada. This is a two-way street.

• (9:20 p.m.)

We agree that Western farmers should receive some assistance, but I think that our Western colleagues from all political parties will understand that Eastern farmers must also be helped when in need, as I believe they are now.

The dairy industry must receive some assistance, in order to be in a position to go through that adjustment period which we are now experiencing. I am sure that this is not the time to let it down, because better days are showing up.

Indeed, co-operation has now improved between the two levels of government and the farming organizations. For my part, I am fully confident. When the Minister of Agriculture will announce, probably at mid March, the terms of the new dairy policy, I am convinced that he will then have recognized the validity of our argumentation. I am one of the members who met the responsible minister, and other ministers as well, to defend maintenance of the farmer's income at least at the level of—

The Acting Speaker (Mr. Béchard): I regret to have to interrupt the honorable member, but his time has expired.

Mr. Dumont: Mr. Speaker, on a question of privilege.

The Acting Speaker (Mr. Béchard): Order, please. The hon. member for Frontenac rises on a question of privilege.

[Mr. Lessard (Lac-Saint-Jean).]

Mr. Dumont: Mr. Speaker, I have interrupted the hon. member for Lac-Saint-Jean. However, at seven o'clock, when I had the floor, he himself interrupted me on three occasions. Had he spoken as the hon. member for Bruce (Mr. Whicher) has, we would have cheered, because we are able to recognize—

The Acting Speaker (Mr. Béchard): That is not a question of privilege. Order.

[*English*]

Mr. Don Mazankowski (Vegreville): Mr. Speaker, I welcome the opportunity to take part in this debate which condemns the government for its indifference—

An hon. Member: It does not condemn anyone.

Mr. Mazankowski: —to the needs of the dairy industry and its failure to deal realistically with urgent problems confronting the dairy farmers of Canada. I believe that on analysing the performance of the Canadian Dairy Commission it is reasonable for any Canadian to conclude that the performance of the commission has been far from satisfactory. Simply put, it just has not fulfilled the task it was set up to tackle. I believe it has failed to provide stability and that orderly marketing which was felt necessary so far as our dairy industry is concerned. In all fairness, however, I do not believe we can entirely blame the people charged with administering the commission.

By and large they do a reasonably good job; the best they can do considering they are hobbled by the minister and the lacklustre department he heads. I believe they are a dedicated group of people who have the best interests of the dairy industry at heart; but they are victims of a set-up in which political expediency and ministerial ambition take priority. In the face of the political interference they have had to cope with, it has been almost impossible for them to administer the program in a businesslike and equitable way. Perhaps they have been victimized and have had to take from frustrated farmers criticism for much of the blame that rightly belongs elsewhere. As a result, many dairy farmers and dairy producers in this country have been left in a state of confusion; their future is somewhat questionable.

I commend the hon. member for Bruce (Mr. Whicher) for his contribution this evening, for his frank remarks and his dedication in serving those who elected him and who sent

him here to represent their interests. I agree with his submissions but I do not agree entirely with the sentiments he expressed and the accolades he extended to the Minister of Agriculture (Mr. Olson). Frankly, I do not believe the Minister of Agriculture has put the problems of the farmer and of agriculture squarely before the cabinet.

I think he has developed a rather indifferent attitude toward the problems of agriculture as a whole and the dairy industry in particular. It is an attitude which amounts almost to disdain. The minister has come to the point of displaying airs of arrogance and flippancy. He seems to find it difficult to answer questions in the House without displaying those airs. I sometimes think that with all the fervour any new convert is recognized as having he is trying to pattern himself after his leader and even outshine him sometimes. When the minister sat in this House as a member of a splinter party, he was a leading critic of the very characteristics he now displays. In my view, his performance since gaining cabinet rank and changing his political coat has been a total failure.

If one looks objectively at the problems of the dairy industry one need not be an expert to understand what the problem is and where it lies. Certainly, the problem is one of oversupply—the very problem the Canadian Dairy Commission was set up to solve. It failed. Why, Mr. Speaker? I suggest it failed simply because it was forced to adopt the Liberal concept of bigness. It was compelled to develop policies and programs that cater only to the big operator.

The natural corollary of building bigness is the destruction of smallness; in this instance the destruction of the small producer in the dairy industry. This general policy may be seen in every aspect of the departmental work carried out under the direction of the Minister of Agriculture and his part-time, academic assistant from Saskatoon-Humboldt (Mr. Lang). I recall clearly the statements of the Canadian Dairy Commission and the minister that farmers producing less than 420 pounds of butterfat could not be considered as being serious about the dairy industry. What do we find has happened? Harsh impositions have been applied in an attempt to eliminate those people from the industry.

Again we witnessed a build-up of the big in order to make them bigger and in order to destroy the small and get rid of the inconvenient individual. This, Mr. Speaker, has resulted in the elimination of subsidy to 20,000 producers in western Canada out of a total of 26,800 in the 1968-69 dairy year. We must add to that the 2,000 out of 3,000 producers who were eliminated in the 1969-70 dairy year.

This entire group did not stop production, as the hon. member for Mackenzie (Mr. Korchinski) said. They did not stop production merely because their subsidy was eliminated. They carried on producing as before. The six million pounds they produced might be insignificant, but they carried on. These farmers had been engaged in the dairy industry and their dairy production was needed to supplement the income they received from their mixed-farm operations. This group represents a very significant part of the national agricultural community—the small, family farmer.

So despite the sentence of death pronounced on them by the Liberal party, and despite the government's intention to drive them out of business, they continue to operate and probably will so continue. In order to save less than $3 million, the treasury benches and Canadian Dairy Commission discriminated against a total of 30,000 small producers throughout Canada who were regarded as doomed to failure and irrelevant to Canadian life.

The government's method of attempting to balance production with consumption has been a failure. What was needed, instead, was the setting of a realistic, maximum production figure with proper incentives supplied which would discourage overproduction. A minimum requirement, I submit, was the wrong method to utilize. This is evidenced by the recommendation of the Standing Committee on Agriculture that the government ought to remove the minimum quota. I hope this recommendation will be incorporated in future dairy policy.

As a result of the existing policy of creating large, so-called viable dairy enterprises, we now have gigantic surpluses in skimmed milk powder and butter. One of the reasons for these surpluses is the unrealistic approach in developing a balance between development and production, a problem that is much more regional than national in nature. To my mind it is totally unfair for producers in large areas of the country, who maintain a fairly close relationship between production and consumption, to be penalized because some producers in other areas of the country disregard methods of supply management. The hon. member for Mackenzie adequately spelled out this fact.

That is why it is vital, in my estimation, to build a high degree of flexibility into a national policy taking into consideration the regions, because that is the only way this imbalance can be overcome. Here again, a recommendation was put forward by the standing committee. I hope the government will pay attention to it. Some of the Liberal members on the committee suggested that this should be a problem for the Department of Regional Economic Expansion to overcome, and not one for the Department of Agriculture or the Canadian Dairy Commission. One has only to consider the designated regions in this country to realize there would be very little hope of ever overcoming regional disparities in western Canada.

• (9:30 p.m.)

The other point pertinent to the surplus of dairy products is the failure of the government to pay adequate attention or give impetus to a program to encourage wider use and consumption of dairy products both at home and abroad. Just as in the grain trade, the government has allowed itself to become obsessed with control and supply management and the usage of terms such as adjustment; but it has no energy or ideas in the field of sales and marketing.

I wish to quote from a speech delivered by Mr. D. R. Marshall, president of the National Dairy Council of Canada. This is what he has to say about sales performance:

> It is the considered view of our council that the main thrust of government policies and industry goals for the decade of the seventies must be directed toward the growth and expansion of the domestic market. The Canadian market is fully capable of absorbing the total milk production potential of this country if the appropriate attitudes and policies are adopted to permit of greater flexibility in new product development and diversification, a vast expansion in merchandising and promotion campaigns and educational programs.

Only through aggressive promotion of sales can we ever hope to develop and maintain a viable dairy industry. This applies, of course, to the whole field of agriculture. Unfortunately, the minister appears to be completely engrossed in political salesmanship, selling his party and his leader to those engaged in agriculture rather than promoting sales connected with the produce of the industry over which he presides. It is unfortunate, Mr. Speaker, that the dairy industry is beset by the same confusion, uncertainty and fear that exist in the grain producing industry. The departments responsible are under the stewardship of the gentleman farmer from Medicine Hat and the academic from Saskatoon.

There is utter chaos in the agricultural industry today. Farmers small and large scarcely know what the situation will be from one day to the next. What policies exist are negative and disruptive. It is high time we had a minister with strength and determination, who had an impact on cabinet and could bring order out of the chaotic condition in which Canadian agriculture finds itself. There is no better place to start than the dairy industry, and no better way to produce a national dairy policy that will be just to all and reasonably matched to the facts of the domestic and world markets.

[*Translation*]

Mr. Florian Côté (Parliamentary Secretary to Minister of Agriculture): Mr. Speaker, it is with pleasure that I am participating in this debate on the non-confidence motion moved against the government. One of my colleagues spoke of "verbiage". As for us, farmers, we often call that applesauce, and that is what was dished out here since the beginning of the sitting.

I tried to find out, as a farmer, to what extent the persons who dealt with this problem did so to ensure a political capital for themselves or tried to deal with it as businessmen, as the hon. member for Rimouski (Mr. LeBlanc) pointed out, or simply wanted to impress visitors in the galleries or to have the members who did not have the opportunity to sit on the Committee on Agriculture believe that we are ready to do the work for them, which is unfortunate. And it is precisely what I found deplorable when I sat in the Standing Committee on Agriculture.

Mr. André Fortin (Lotbinière): Mr. Speaker, I rise on a question of privilege.

The Acting Speaker (Mr. Béchard): Order please. The hon. member for Lotbinière rises on a question of privilege.

Mr. Fortin: Mr. Speaker, I wish to recall the provisions of Standing Order 35 which reads as follows:

> No member shall speak disrespectfully of Her Majesty, nor of any of the Royal Family, nor of His Excellency or the person administering the Government of Canada.

For the guidance of the government member who can not be bothered with read-

ing the Standing Orders, I shall read the last sentence of that section, and I quote:

—use offensive words against either House, or against any member thereof.

Now, Mr. Speaker, ever since the hon. member for Richelieu (Mr. Côté) started his remarks, he has been out of order. First of all, he is not dealing with the motion before the House, but instead is using offensive words against the members who were elected, as he was, and are trying to fulfil their duty honestly.

The Acting Speaker (Mr. Béchard): Order. I thank the hon. member and I trust the hon. member for Richelieu did not intend to offend his colleagues.

Mr. Côté (Richelieu): Mr. Speaker, I can prove that I do not intend to offend my colleagues.

Someone from that corner of the house said a while ago that I was a reed in the desert, with a poor head on a wealthy body; I shall not use the same language because it would be disrespectful toward my hon. colleagues.

I merely want to see whether they are sincere when they speak of agriculture.

First of all, I am very disappointed that no member of the opposition took this opportunity to point out the real work that was done in committee. At the start there were procedural wrangles, in an attempt to equivocate. But what the farmers wanted, like all the members of the Committee on Agriculture, was that the $125 million subsidy to the Canadian Dairy Commission be maintained.

Mr. Lambert (Bellechasse): On a point of order, Mr. Speaker.

The Acting Speaker (Mr. Béchard): Order. The hon. member for Bellechasse on a point of order.

Mr. Lambert (Bellechasse): Mr. Speaker, speaking as a member of the committee, I want to say that I have put forward an amendment to clause 2, of the resolution so as to emphasize the views of the organizations, of the association and of the C.F.U.—

The Acting Speaker (Mr. Béchard): Order please. The hon. member has made his point, but the Chair asks him to tell the House on what standing order is based his point of order. The hon. member for Richelieu.

Mr. Côté (Richelieu): The mover, whom I respect very much indeed, is one of those people who really know a lot about farming, because he has lived on a farm, but the way he handles his arguments seems to me a bit clumsy.

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

The Acting Speaker (Mr. Béchard): Order. The hon. member for Richelieu now has the floor but the hon. member for Lotbinière, I believe, is raising another question of privilege.

• (9:40 p.m.)

Mr. Fortin: Mr. Speaker, I will quote, on behalf of the hon. member for Bellechasse, Standing Order 37(1), which reads as follows:

No member may speak twice to a question except in explanation of a material part of his speech which may have been misquoted or misunderstood;

Mr. Côté (Richelieu): Mr. Speaker, I hope that those who listen to us in this House will realize that when one tries to speak about facts, there are always some who try to interfere. If hon. members wish to acquire some knowledge on agriculture, I ask them to let me have my allotted time, after which they could ask me questions. I will be at their disposal here in this House until midnight if need be.

Mr. Dumont: Mr. Speaker, on a question of privilege.

The Acting Speaker (Mr. Béchard): Order, please. Does the hon. member for Frontenac (Mr. Dumont) wish to ask a question?

Mr. Dumont: Mr. Speaker, I rise on a question of privilege. The member for Richelieu pointed out that he must not be interrupted. However, when I spoke at seven o'clock, he interrupted me twice. It is just a case of the shoe being on the other foot.

Mr. Acting Speaker (Mr. Béchard): Order, please. The hon. member for Richelieu.

Mr. Côté (Richelieu): Mr. Speaker, a moment ago when I was saying, in order to define my thoughts about what was said earlier in this debate, that it was all applesauce, I did listen to the outstanding speech of the member for Bellechasse who, in order to explain the difficulties facing the farmer, described the situation in a most realistic way. I do not know how long since he has studied the balance-sheet he has drawn because on January 20th—I refer to the

report of the Committee on Agriculture—he asked the president of the National Farmers Union, and I quote:

I would like to know if you have any figures which might inform us with regard to incomes of industrial milk producers. Are their incomes exaggerated, reasonable, or insufficient? You mentioned that the farmers had not contributed in bringing about inflation in Canada. I would like to know what is the average income of industrial milk producers who belong to the National Farmers Union.

That afternoon of January 20, he seemed to be well informed. However, I would have preferred him to put forward some concrete solutions, because after having learned about all the problems and all the answers from those who attended the committee meeting, the hon. member for Bellechasse, just like me and many other members who were on the committee, was facing serious problems, so that he often said: Yes, that is the crux of the problem. We must find solution. We had the rope in his hand and could not tie the knot and I understand him as I was somewhat like him. I do not blame him, but we should not, because people are listening, pretend to have all the answers.

I believe it would not be quite in keeping with regulations to quote certain suggestions and I shall try to be as brief as possible in order to come to the recommendations of the committee on agriculture.

I feel I have to give an outline of the statements. The hon. members for Joliette (Mr. La Salle) and the hon. member for Charlevoix (Mr. Asselin), eloquent speakers both and men of imposing stature, made splendid statements and I must take my hat off to them since the two of them represent 50 per cent of Quebec's conservative representation in the House. At a certain time I was under the impression that the hon. member for Joliette, who is a close friend of mine, with whom I have serious discussions, was mistaken in endorsing his party's policy. As he was a travelling salesman at the time when the Progressive Conservatives was in office, he must have realized that things were not going well for agriculture, and there was no opportunity for us to sit on the Committee on agriculture as we have done this year.

When it is claimed that I kneel before the Minister of Agriculture, or when I try sometimes to report on articles signed by Pierre Courtaud and that I am supposed to have said that I am pleased with the minister's decision, then I open a report from the Committee on Agriculture and I try to figure out when I was pleased. I realize then that at the meeting held on January 13, the Minister of Agriculture had stated that the members of the committee should try to find some way of increasing the net income of farmers.

He then pointed out that, for the current year, $45 million would be used for marketing dairy products and that, when the Treasury Board grants $125 million to the Canadian Dairy Commission, 94 per cent of the population think that this goes to the farmers when, actually, they only receive 70 per cent. It was in this connection that the Minister said: We must change our capitals. He even disclosed some ideas from the program he was to bring forward. I then said: I am happy to see a politician, whatever his political party, thinking of the net returns of the farmer, which I had never seen before.

When one speaks of the returns of a farmer in this House or elsewhere, one should think of the net returns.

I understand why the hon. member for Frontenac said that I groveled before the Minister. But this is not so, and it will soon be possible to know where I stand in respect of the dairy industry. At the present time I am speaking about the whole of Canada without distinction. Maybe are we forced in Eastern Canada today to take a firmer and more direct stand. Why? Because the milk problem is more acute with us than in other parts of the country, as my colleague has just mentioned. Quebec is the only province which in 1968-69 not only went over its quota figures but which could not receive the subsidies it was entitled to.

I understand the difficulties experienced by the Prairie Provinces and I have much sympathy for them. That is why I am in favour of the Department of Agriculture helping them. But at this time it is the milk question which is being discussed and we have to deal with the province of Quebec because it is in this province and in the Province of Ontario where the dairy industry is active. But the Province of Quebec is more seriously affected as its quota for 1968-69 was 153.1 million pounds of fat which was exceeded by 2.1 million pounds. How come? Because there is nothing else than the dairy industry in the province of Quebec. I would have liked my colleagues to tell the farmers who are now listening that among the ten resolutions submitted to the cabinet and to all those who must look after the welfare of that category of citizens, we asked, taking into consideration the productivity of the farming indus-

tries, what would be the results of the reduction of available funds under the support program to the dairy industry.

The committee urges in the strongest possible terms that the government consider maintaining the dairy support programs at the 1969-70 level for the period 1970-71, namely $125,000,000.00.

And in section 3, we recommend, and I quote:

That the holdback—

—this action has been suggested by the hon. members of all political parties.

Mr. Lambert (Bellechasse): Mr. Speaker, on a point of order.

Mr. Côté (Richelieu): Mr. Speaker, if the hon. member for Bellechasse would kindly—

The Acting Speaker (Mr. Béchard): Order! The hon. member for Bellechasse (Mr. Lambert) on a point of order.

Mr. Lambert (Bellechasse): Mr. Speaker, I wish the hon. member for Richelieu would give an accurate account of what happened at the committee meeting. At item 2, I suggested what the Fédération des producteurs de lait industriel had recommended, that is, to take into account the 5 per cent increase in production cost—

The Acting Speaker (Mr. Béchard): Order!

[*English*]

An hon. Member: The truth hurts.

Mr. Olson: On a point of order, Mr. Speaker, I should like to urge that you keep track of all the time that has been taken by these phony points of order and add them to the time of my hon. friend the member from Richelieu (Mr. Côté).

• (9:50 p.m.)

[*Translation*]

Mr. Dumont: Mr. Speaker, on a point of order.

The Acting Speaker (Mr. Béchard): Order, please. I would like to point out to hon. members that there are hardly 10 minutes remaining before the end of the debate, and that the next speaker will be the loser.

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

The Acting Speaker (Mr. Béchard): Order, please. The hon. member for Frontenac on a point of order.

Mr. Dumont: At seven o'clock this evening, Mr. Speaker, when I rose to speak, I was interrupted four times, and I have not been allowed to make up for the time lost. The time allotted to the hon. member for Richelieu (Mr. Côté) is up, and I therefore ask that the Standing Orders do apply.

The Acting Speaker (Mr. Béchard): Order, please. I think that the hon. member for Frontenac is right. We have not taken into account the points of order and the questions of privilege during the debate.

Mr. Côté (Richelieu): Mr. Speaker, on a point of order.

The Acting Speaker (Mr. Béchard): Order. The hon. member for Richelieu is rising on a point of order.

Mr. Côté (Richelieu): Mr. Speaker, may I point out that I started my speech at 9.40 p.m. With your permission, I shall take the 15 minutes I am allowed and then I shall be through.

The Acting Speaker (Mr. Béchard): Order. I am sorry, but the time of the hon. member has expired. The hon. member for Shefford.

Mr. Gilbert Rondeau (Shefford): Mr. Speaker—

Mr. Guay (St. Boniface): Mr. Speaker, on a point of order.

The Acting Speaker (Mr. Béchard): Order. The hon. member for St. Boniface (Mr. Guay) is rising on a point of order.

Mr. Guay (St. Boniface): Mr. Speaker, I would like to know why so many members of the Ralliement Créditiste are present tonight? It is the first time I see so many of them.

The Acting Speaker (Mr. Béchard): Order. There is no point of order.

[*English*]

Mr. Yewchuk: Mr. Speaker, in view of the fact there are still many speakers who wish to join in the debate and only seven minutes remain, might we ask the House for unanimous consent to prolong the debate for another hour or half-hour?

The Acting Speaker (Mr. Béchard): That will be possible only if the House gives unanimous consent.

Some hon. Members: No.

The Acting Speaker (Mr. Béchard): There is not unanimous consent.

[*Translation*]

Mr. Rondeau: Mr. Speaker, it is unfortunate that I have only a few minutes left, because I have been waiting since this afternoon to be recognized.

First, I should like to say to the parliamentary secretary of the Minister of Agriculture (Mr. Côté) that his watch is not keeping time and that it is as misleading as his agricultural policy. In fact, he was out by five minutes in fifteen.

Then, I should like to tell the member for St. Boniface (Mr. Guay) that he is never present in the House. Therefore, he cannot blame us in any way this evening, we are dealing with a very important matter.

Mr. Guay (St. Boniface): On a point of order, Mr. Speaker.

The Acting Speaker (Mr. Béchard): Order, please. I ask all hon. members to co-operate in order to end properly this debate on the dairy industry.

Mr. Côté (Richelieu): Mr. Speaker, on a point of order.

The Acting Speaker (Mr. Béchard): Order. The hon. member for Richelieu on a point of order.

Mr. Côté (Richelieu): Mr. Speaker, I merely want to point out to you that the hon. member for Saint-Boniface may not be always present in the House, but the one who has the floor has never sat on the Committee on Agriculture and has never spoken about agriculture.

The Acting Speaker (Mr. Béchard): Order. The hon. member for Richelieu knows that there is no point of order.

Mr. Guay (St. Boniface): Mr. Speaker, on a question of privilege.

The Acting Speaker (Mr. Béchard): The hon. member for Saint-Boniface on a question of privilege.

Mr. Guay (St. Boniface): Mr. Speaker, if the Créditistes suggest that my attendance in the House is of any significance, I am ready to compare it with theirs. I am convinced that my record of attendance is superior to theirs.

Mr. Rondeau: Mr. Speaker, it is true that I am not a member of the committee on Agriculture, but my constituency is mostly agricultural and I have some idea what agriculture is all about. On the other hand, if the parliamentary Secretary of the Minister of Agriculture thinks he is an expert and wishes to be recognized as such, I would advise him to buy some cows, because, as far as I know, all his cows have been sold.

Mr. Speaker—

Mr. Côté (Richelieu): Why not?

Mr. Speaker, on a point of order.

The Acting Speaker (Mr. Béchard): Order. Again, I would like to ask for the co-operation of hon. members so that the hon. member for Shefford (Mr. Rondeau) can continue his remarks.

Mr. Côté (Richelieu): On a point of order, Mr. Speaker.

The Acting Speaker (Mr. Béchard): The hon. member for Richelieu on a point of order.

Mr. Côté (Richelieu): Mr. Speaker, it would be working against the farmers if I bought cows for myself, because they do not want people that work part time, but only farmers who work full time.

The Acting Speaker (Mr. Béchard): Order. The hon. member for Shefford.

Mr. Rondeau: I congratulate the Parliamentary Secretary to the Minister of Agriculture (Mr. Côté) on his point of disorder.

Mr. Speaker, I noticed like other hon. members that all through his speech the Parliamentary Secretary to the Minister of Agriculture stood on the defensive. Normally, he should have been above all political considerations in view of his position.

He accused us of making political gains out of this. In the few minutes I have left I have to set my speech entirely aside. I must say, however, that the members of the farm unions who wanted to file a petition in the House got in touch with all the members of the other parties before getting in touch with the Ralliement créditiste. Our party alone had enough courage to file that petition.

We are accused of trying to make capital gain with the petition bearing 25,000 names tabled yesterday by the hon. member for Bellechasse (Mr. Lambert). Why did not the Parliamentary Secretary to the Minister of Agriculture table it himself instead of passing the buck—

Mr. Côté (Richelieu): Mr. Speaker, I rise on a question of privilege.

The Acting Speaker (Mr. Béchard): Order, please. The hon. member for Richelieu on a question of privilege.

Mr. Côté (Richelieu): Mr. Speaker, even though I did not table the petition, I can prove that on page 3 of the document tabled by the hon. member for Bellechasse, my name appears with my signature and the name of my parish.

Some hon. Members: Hear, hear!

Mr. Côté (Richelieu): Not only of them—

• (10:00 p.m.)

Mr. Rondeau: Had the hon. member for Bellechasse not tabled the petition yesterday, we would not have known that the signature of the Parliamentary Secretary to the Minister of Agriculture, who is not a farmer, was one of the 25,000 signatures. Seeing I was so annoyed—

Mr. Côté (Richelieu): Mr. Speaker, I rise on a question of privilege.

The Acting Speaker (Mr. Béchard): Order. The hon. member for Richelieu on a question of privilege.

Mr. Côté (Richelieu): I know I did not sign as a farmer. However, article 2 of the petition says, and I quote:

—whether they are producers of manufacturing milk or cream, or people interested in the farm policy.

Well, I am interested in the farm policy.

Some hon. Members: Hear, hear.

Mr. Rondeau: Mr. Speaker—

The Acting Speaker (Mr. Béchard): Order. It being ten o'clock, it is my duty, pursuant to standing order 58(11), to inform the House that the debate on the motion before us is now deemed to have come to an end.

[*English*]

It being ten o'clock p.m., it is my duty to inform the House that pursuant to section 11 of Standing Order 58, proceedings on the motion are considered to have expired.

PROCEEDINGS ON ADJOURNMENT MOTION

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

[*Translation*]

TRADE—EFFECT OF ENTRY OF GREAT BRITAIN INTO COMMON MARKET ON CANADIAN AGRICULTURAL PRODUCTS

Mr. Bernard Dumont (Frontenac): Mr. Speaker, on February 12 last, I asked the Prime Minister (Mr. Trudeau) what explanations himself and the cabinet could give about Great Britain's eventual entry in the Common Market and the repercussions on farm products exports from Canada to Great Britain.

We want to notify the Prime Minister early enough to prevent him from saying that he was not aware of the problem. We want to warn him of the fact that Great Britain, to which during the war, we sold much milk and other agricultural products—which enabled them to win the war and enjoy freedom—will soon enter in the Common Market.

Since Canada exports great quantities of milk powder and cheddar cheese, as we were told by members of the Catholic Farmers Union or any other organization, other difficulties could arise.

In Great Britain, a white paper was published on this topic. The Prime Minister recently met his counterpart from Great Britain. The latter stated this at a press conference before leaving by plane for New York, and I quote:

—that his government was aware of the problems created in Canada by Great Britain's entry in the European Economic Community. "We know the resultant difficulties for our trade partners".—

He added the following:

We know that Great Britain will likely become the seventh member of the E.E.C. in 1970. This economic alliance with Europe should restrain greatly Canadian agricultural exports to England. At the present time our country constitutes the main outlet for Canadian tobacco and agricultural products, such as potatoes—

—and pork.

If the Canadian government does not immediately make the necessary representations to Great Britain, in view of the fact that it is a country to which we have rendered great services, and if England does not concern itself with those problems, 25,000 farmers and not only 300 like today will lay siege to the Canadian Parliament to demand justice.

I am urging the government to make representations to the government of Great Britain. One may read the following in the February 11 issue of the *Devoir*, and I quote:

London—The British Treasury is considering the possibility of refunding before the end of the year all Britain's international short-term debts.

As I was trying to explain earlier, since Canada has extended so much help to that country, I am sure that if our Prime Minister or any other minister would start discussing straight away the possibility of maintaining our agricultural imports, we might be able to avoid the very serious problems which will confront us at the end of the year unless the government takes the necessary steps.

That is the reason why I had asked this question which deals with a very urgent problem and I urge the Minister of Industry, Trade and Commerce, and also the Minister of Agriculture to send right away some officials to meet the responsible people who are aware of the problems in store for Canada, if they want to avoid a disaster for Canadian agriculture.

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, it is not easy to state in three minutes the effect that Great Britain's entry into the Common Market will have on Canada's agricultural exports. One would have to compare tariffs to be applied to Great Britain and to the Common Market countries, although it is not yet known under what conditions Great Britain will finally join the group, as the Prime Minister stated some time ago.

This point having been taken care of, I have a few comments to make. First of all, we have not yet had the opportunity to study the White Paper, for the very good reason that we have not yet received it. We shall study it at the earliest opportunity.

Then, we are well aware of the volume of agricultural exports from Canada to the United Kingdom and of the fact that negotiations have taken place since 1961 on that matter. Recently, a discussion took place in Ottawa between officials of the United Kingdom and Canada. At the last meeting between the Prime Ministers of the two countries, the matter was discussed.

Agricultural exports represent approximately 25 per cent of total exports of $2,1 billion. Wheat accounts for some $105 million, cheese for $15 million and tobacco for $49 million. They are consequently extremely important products.

What will happen if Great Britain joins the common market? That is anybody's guess.

As far as wheat is concerned, we know the common market's protectionist policy, particularly for agricultural products.

Canada is now exporting as much wheat to common market countries as to England.

[Mr. Dumont.]

If Canada manages to export some into the common market now, it is most likely that she shall continue to do so when England has joined it.

The minister without portofolio in charge of the Canadian Wheat Board (Mr. Lang) discussed recently with English buyers who were quite optimistic about the future of this kind of export.

As regards cheddar cheese, the situation will deteriorate since the free access we enjoy to England, the preferential treatment we are accorded by her, not only will be lost but the Common Market members will themselves enjoy it for this product.

On the other hand, since a transitory period will certainly take place following England's entry into the common market, it is possible that we might convince the Europeans themselves of the good quality of Canadian cheese.

In any case, the United Kingdom and the Common Market are well aware of our concern in this regard. We are insisting, have insisted and will insist with the British, as the Prime Minister has said before, on an exchange of views before during and after negotiations. Some discussions took place very recently and we wish—

Mr. Speaker: Order! I very much regret to interrupt the minister, but his time has expired.

[*English*]

NATIONAL CAPITAL—REQUEST FOR ESTABLISHMENT OF COMMITTEE

Mr. John L. Skoberg (Moose Jaw): Mr. Speaker, on January 13, as recorded at page 2305 of *Hansard*, I posed a question to the Prime Minister (Mr. Trudeau) in respect of the unappreciative attitude of the city of Ottawa. I asked:

> —will the Prime Minister give serious consideration to decentralizing federal civil servants by moving government departments to the west and to the maritime provinces in order to give those areas a shot in the arm, so to speak?

At that particular time my intention really was to draw the attention of the government to the fact that there was a dispute between the government and the city of Ottawa. My colleague from Surrey (Mr. Mather) made that point very well in a previous question when he asked whether the Prime Minister would consider implementing the decision of the previous Parliament and encourage the establishment of a committee of Parliament to deal with all matters pertaining to the national capital.

The President of the Privy Council (Mr. Macdonald) suggested that this could be done at an early date. It would appear to me from some of the correspondence I have received since this question was asked that many people in Ottawa, particularly some in the municipal government, do not realize the benefit that is derived from a federal civil service payroll such as there is in this city. I can assure you, Mr. Speaker, whether or not the federal government tries to treat the city council of Ottawa as a small brother, I do not believe this is really the point. If they do, then the revitalization of the committee about which the hon. member spoke is most urgent.

I would suggest there is great merit in taking into consideration some decentralization of our federal departments. I can think of some points to which these departments might be moved. What better place would there be than Moose Jaw for the Department of Agriculture? I would think in that area the department would be close to the troubes affecting many people of this nation. I believe the Secretary of State (Mr. Pelletier) would be only too pleased to move his office to the constituency of the hon. member for Crowfoot (Mr. Horner). I am sure such a move would be appreciated by the people in that area.

I believe one point we should remember is that a civil service payroll in any city is one of the most important items to any government whether municipal or provincial. The fact remains that whether or not we decentralize our civil service payroll so that it is smaller in the city of Ottawa is a matter about which all of us should be concerned. If the city of Ottawa believes an industrial payroll is more important than a civil service payroll, it should say so.

• (10:10 p.m.)

Let us decentralize the departments and locate them in areas of Canada where they can be closer to the action that is developing. I well remember the time last summer when the then member of the legislative assembly of British Columbia, Bill King, the member for Revelstoke-Slocan, wrote to the Prime Minister asking him to locate the forestry department in Revelstoke. I thought it was an excellent idea and that this was a good place for locating the department.

What better place could there be for locating the new Arctic department of the Department of Transport which is now being reorganized, than the Arctic? The minister said he plans to do this and I give him due credit for it. At the same time, I believe it is most important when we consider decentralization—if the government is sincere about it—to try to place the departments of the government in those areas of Canada which will give all people of Canada a voice in our federal government.

A few years back it was argued that communications would be the main stumbling block, but all of us know today that under the capable hands of the Department of Communications it is no stumbling-block. We can have more or less instantaneous communication with any area of Canada through satellites and other means. There is no reason to say that we have to be close to the seat of government to be able to communicate with the rest of Canada.

I believe the government should give serious consideration to decentralization so as to give all the people of Canada a say in the federal government, for which they are paying and in which they should have a part.

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): Mr. Speaker, I have listened to the hon. member for Moose Jaw (Mr. Skoberg) with a great deal of sympathy for the theme which he advanced of the beneficial effects of the decentralization of national institutions including government departments and other government agencies.

I cannot accept the premise that this should be based upon some presumed difference in attitude between the city of Ottawa and its citizens and persons working in the government service here. I do not think there are any difficult problems between the National Capital Commission and the city of Ottawa. It is true that there has been an increasing dialogue, which I think is a very healthy and necessary sign and a way of getting perspective on the expansion which will undoubtedly come to the national capital region through the impetus given by the National Capital Commission.

A good deal of decentralization has been going on as part of a continuing policy. This is nothing new. To look at the departments, the Department of Public Works has six regional offices across Canada. Only last week in the town of Cranbrook, B.C., a federal building was opened to consolidate a number of offices including Manpower, the Unemployment Insurance Commission, Customs, Indian Affairs, and so on. If you look at Crown corporations, the National Film Board is not here

in the national capital region, neither is the CBC, Polymer, Air Canada nor the CNR.

With regard to the research facilities which the hon. member mentioned, there is no reason why the regions of Canada mentioned by the hon. member would not be the best places in which to locate a fisheries research centre and other research centres on forestry, pollution and other matters.

It might be of interest to note that when the act governing the Canadian Mint was amended, the requirement that the operating facilities be located in the national capital region was deleted. All the efforts to plant regional offices of federal institutions in different parts of Canada are part of a continuing policy to give people in all regions not only economic benefits but a sense of belonging and of having physically some federal presence in their own communities.

EXTERNAL AFFAIRS—APPLICATION RESPECTING FLOODING OF LAND NEAR SKAGIT RIVER

Mr. David Anderson (Esquimalt-Saanich): Before I start, Mr. Speaker, I should say that the hon. member for Fraser Valley East (Mr. Pringle) attempted to get your eye earlier today. However, I was fortunate in getting it and he was not, so I happen to be speaking tonight rather than him.

The question I raised of the Skagit Valley is one of increasing concern to British Columbians and indeed to all Canadians concerned with conservation. I should like to briefly outline the sequence of events. In January, 1942, the International Joint Commission granted a permit to the city of Seattle to erect the Ross dam on the Skagit River in the United States. The upper end of the lake formed by this dam extended a quarter of a mile into Canada. In this 1942 agreement provision was made for a second and subsequent agreement which would further raise the height of the dam and further extend the lake into Canada.

In 1957 there was a hearing in Ottawa at which the second agreement was considered, but at that time no such agreement resulted. If my information is correct, these hearings came to naught and it was only in 1957 that there was a second agreement entered into between the province of British Columbia on the one hand and the city of Seattle on the other. This agreement called for a further flooding of some 5,800 acres of land for the payment of approximately $34,500 to the province of British Columbia—some $5.50 per acre.

[Mr. O'Connell.]

Mr. Speaker, if the matter stood there perhaps there would be no cause for me or for the hon. member for Fraser Valley East to raise it in this House and express our concern. But there is another factor which must be mentioned, and that is, in 1955 the federal government passed the International River Improvements Act which states in section 4:

> No person shall construct, operate or maintain an international river improvement unless he holds a valid licence therefor issued under this act.

"International river improvement" as defined in section 2 means:

> —a dam, obstruction, canal, reservoir or other work the purpose or effect of which is (i) to increase, decrease or alter the natural flow of an international river—

Therefore, it appears that in 1955 the situation was materially altered and the federal government acquired complete control by this act. I might add, Mr. Speaker, that the purpose of the act was to protect the people of British Columbia from the folly and greed of the provincial government of the day on the Libby dam question, which is not dissimilar to the Skagit affair.

My question to the Minister of Energy, Mines and Resources (Mr. Greene) earlier today was whether an application under the International River Improvements Act has been received from the city of Seattle by the federal government, and whether the minister has accepted or rejected any such application. Perhaps if I read a few lines from the Newsletter of the Federation of British Columbia Naturalists Your Honour will understand why I regard it as very important for any application by the city of Seattle to be most carefully examined by the federal government. This Newsletter is dated December 9, 1969, and reads as follows:

> Fishing values are also very high—it is said that as many as 6,000 are in there at times for the fishing. The loss of spawning beds with consequent decline in later years of fishing quality is probably the greatest adverse effect the damming will have but loss of most of the wider part of the valley is also important as this is a readily accessible area for the heavily populated coast area.
>
> The narrow valley of the Skagit to the northeast is uncut for about six miles and is under reserve by the forest service as a buffer zone along the river. Under the circumstances should this ever be lifted as it is an exceptionally beautiful valley, the fishing is excellent in the river, and the old gold miner's access trail from the U.S. runs up the river on the east side and is still in good condition.

I should like to say a word, finally, in describing why this valley is important and why this is a matter of urgency at this time,

which perhaps earlier today Your Honour was not able to fully understand. Only a few days ago in the B.C. *Gazette* bids were called for the cutting of timber in this valley. There can be no doubt from the statements of the provincial minister of resources, Mr. Ray Williston, as quoted in the *Province* and *Sun* of February 11 and 12, that this invitation to bid is to clear the valley of timber, to destroy its fishing and recreational value in anticipation of further flooding for which no permit has been granted by the federal government.

It is most important for the federal government to make clear now that it will examine the application of Seattle City Power, when it comes, on its merits and that this crude attempt to destroy the resources of the valley and its value in the area will have no effect whatsoever on the decision of the federal government. We must point out very clearly that an attempt at a scorched earth policy is about to be made on the Skagit Valley; this will not lead us to decide that the valley is worthless and that we can, therefore, grant a permit to raise the dam and flood this area.

It is for these reasons, Mr. Speaker, that I regard this as a most urgent and important matter and raise it tonight.

• (10:20 p.m.)

Mr. R. J. Orange (Parliamentary Secretary to Minister of Energy, Mines and Resources): Mr. Speaker, I should like to acknowledge the forthright submission of the hon. member for Esquimalt-Saanich (Mr. Anderson) and recognize that the other part of the pincer is the hon. member for Fraser Valley East (Mr. Pringle) who was not able to catch Mr. Speaker's eye this afternoon. The Ross dam was built by Seattle Light and Power, now taken over by the city of Seattle, on the Skagit River in the state of Washington to meet part of the city's electrical power requirements.

The dam was built to raise the water level of the Skagit River to an elevation of about 1,600 feet above mean sea level. At this level the reservoir reaches the international boundary; but there is no appreciable backwater extending into the province of British Columbia. When the reservoir is absolutely full, a maximum of possibly 5 to 10 acres of British Columbia land is under water at 2 feet or less in depth. The Ross Dam was built with the intention of its being raised ultimately by 125 feet, which would extend the reservoir into British Columbia when the water reached the new maximum level of about 1,725 feet.

Nearly 40 years ago the city of Seattle acquired ownership of virtually all the approximately 640 acres of privately-owned land that would be flooded with the reservoir filled to the 1,725 feet level. The remaining area of British Columbia that would be flooded is about 5,710 acres of land owned by the Crown in right of the province. In preparation for this future construction to raise the Ross dam to the 1,725 feet level, the city of Seattle made application which resulted in the issuing by the International Joint Commission of an order of approval on January 27, 1942. This order of approval contained a condition that the city of Seattle must arrive at a mutually acceptable agreement with the province of British Columbia to cover the damages caused to British Columbia by the raising of the Ross dam.

On January 10, 1967, British Columbia and Seattle Light and Power reached an agreement. However, this was never formalized. In 1955, a new element of the situation had been introduced with passage by Parliament of the International River Improvements Act. The city of Seattle has not yet applied for a licence or an exception under the In'ernational River Improvements Act, which provides a requirement for such licence or exception to cover a work which has the effect of changing the water level at the international boundary by more than one-tenth of a foot. The city of Seattle has not begun any of the construction required to raise the Ross dam to result in a level of 1,725 feet. It is understood that the city of Seattle also must obtain a new or amended licence from the United States Federal Power Commission to permit the flooding of land in the United States.

In conclusion may I say that, naturally, the government of Canada would want to be assured that any agreement between the British Columbia government and Seattle Light and Power Authority would be in accordance with the IJC statement of 1942. In all probability as well, public hearings will be called for by the government, particularly since we recognize the fundamental rights of Canadians living in British Columbia.

Motion agreed to and the House adjourned at 10.25 p.m.

HOUSE OF COMMONS

Friday, February 20, 1970

The House met at 11 a.m.

[*Translation*]

ROUTINE PROCEEDINGS

INDUSTRY

TABLING OF REVIEW OF RESEARCH AND DEVELOPMENT PROGRAMS

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, under Standing Order 41 (2), I would like to table, in the two official languages, copies of a Review of federal government programs to encourage research, development and innovation in Canadian manufacturing industry.

[*English*]

FISHERIES AND FORESTRY

TREATMENT OF SURPLUS EMPLOYEES—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION UNDER S.O. 43

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I rise to present a motion under Standing Order 43, which provides that in a case of urgent and pressing necessity, previously explained by the mover, a motion be made by unanimous consent of the House without notice having been given under Standing Order 42. I shall state briefly the reason for this motion which I think is of urgent and pressing necessity.

On December 16 last the Public Service Commission recommended to all deputy ministers that in its opinion a review procedure should be established with respect to surplus employees being given notices of dismissal. It appears that this recommendation has not yet been acted on by the Department of Fisheries and Forestry. Hence a good deal of concern is felt by the scientists in particular who are being laid off from their employment in that department. Therefore, Mr. Speaker, I ask leave of the House, seconded by the hon. member for Winnipeg North (Mr. Orlikow), to move as follows:

That this House recommends to the Minister of Fisheries and Forestry that a review procedure for surplus employees be established within his department, as recommended by the Public Service Commission on December 16, 1969, and that the dismissal of surplus employees by this department be suspended until the opportunity for review in all cases has been provided.

I may say that we would be quite prepared to forgo any debate on this motion.

Mr. Speaker: As hon. members know, under the terms of Standing Order 43 unanimous agreement on the part of hon. members is required before the motion can be put. Is there unanimous agreement?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is no unanimity. In the circumstances the hon. member's motion cannot be put at this time.

ORAL QUESTION PERIOD

POLLUTION

ARCTIC WATERS—REGULATION OF EXPERIMENTAL VOYAGES

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I ask the right hon. Prime Minister whether he will give the House an assurance that the government will subject experimental voyages in our Arctic waters, particularly in the Northwest Passage, to strict regulations and will indeed prohibit any such voyage until the government is satisfied that the risk of oil pollution has been eliminated. I ask this question in view of the fact that the *Manhattan* was carrying on its first experimental voyage more oil for fuel purposes than the tanker *Arrow*, which is causing so much pollution off the coast of Nova Scotia, was carrying in its cargo.

Right Hon. P. E. Trudeau (Prime Minister): On the principle of the question, I would certainly give that assurance. As to the second part, which is a factual question concerning the quantity of oil carried and whether it would be carried in circumstances which could give rise to a serious menace, I will look into it.

Mr. Stanfield: Am I to understand from that answer that the Prime Minister did not know the amount of oil which the tanker *Manhattan*—

Mr. Speaker: I have some doubt whether the question as asked in that form is in order. The Leader of the Opposition might wish to rephrase it.

Mr. Stanfield: I should like to ask the Prime Minister whether at the time of the voyage of the *Manhattan* he knew the amount of oil the tanker was carrying for use as its own fuel and as fuel for accompanying craft?

Mr. Trudeau: I must say that this is a statistical matter. I do not have the answer.

Mr. Stanfield: One further question. Would the Prime Minister not agree that oil in a quantity in excess of that carried by the *Arrow* would constitute a grave threat to the ecology of the north in the event of a disaster, and that the amount of oil carried by the *Manhattan* is, therefore, information of the utmost importance which the government should know in connection with this voyage?

Mr. Trudeau: The question sounds argumentative, to me, Mr. Speaker. I think it is a matter of knowing not only how much oil is carried but the degree of threat presented in connection with the possibility of spillage.

Mr. Harold E. Winch (Vancouver East): May I ask the Prime Minister a question which is not hypothetical? In view of the evidence which was submitted to a committee of this House in public that during the voyage of the *Manhattan* the ship was severely holed where it had not been reinforced, can he say whether any other ships going through loaded will be reinforced to prevent any pollution of our Arctic?

Mr. Trudeau: The question is said not to be hypothetical but as far as I am concerned I do not know whether on its second voyage the *Manhattan* will be further reinforced. As the House knows, it was only last week that the intention of the *Manhattan* to make this voyage was conveyed to us. We have sent a reply and we are looking into the circumstances of the voyage and the state of the ship.

CANADIAN SOVEREIGNTY

ARCTIC WATERS—NATURE OF CANADIAN CLAIM

Mr. G. W. Baldwin (Peace River): Now that the Secretary of State for External Affairs has dipped his toes in the water and found it not too cold, will the Prime Minister indicate whether the claim of Arctic sovereignty asserted by his colleague yesterday was a claim to the waters between the Arctic islands on the basis of their being internal waters or on the basis of their being territorial waters and, if it was the latter, does the government intend at the earliest date to promulgate regulations under international conventions governing the safety and security of the country?

Right Hon. P. E. Trudeau (Prime Minister): I do not know to what aspect of security the hon. member is referring. If he is thinking of pollution, the answer is that the Speech from the Throne stated that this session would see a statement from the government by way of legislation to prevent pollution of the Arctic.

Mr. Baldwin: A further supplementary question. I appreciate the Prime Minister's answer, but would he answer the first part of my question. Is the claim that was asserted yesterday by the Secretary of State for External Affairs in regard to Canada's sovereignty over waters between the islands one of sovereignty on the basis of their being territorial waters or on the basis of their being internal waters?

Mr. Trudeau: Mr. Speaker, I suggest it might be preferable if the House waited for an answer to the question until the legislation is tabled.

ARCTIC WATERS—CONCURRENCE IN REPORT OF STANDING COMMITTEE

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I have a supplementary question. In view of what appears to be a stronger position on this matter now taken by the Secretary of State for External Affairs, and although members of the House are at a disadvantage in this regard in that they do not have—

Mr. Speaker: Order. Would the hon. member ask his question.

Mr. Nesbitt: Perhaps I should put it as a point of order, Mr. Speaker.

Some hon. Members: Oh, oh!

Mr. Nesbitt: If hon. members opposite would be quiet I would point out—

Mr. Speaker: Order. I understand that the hon. member has a point of order. I would be pleased to hear what the point of order is and to make a ruling on it.

Mr. Nesbitt: Mr. Speaker, I am sure all hon. members realize there is a need to preface my

question since hon. members do not have yesterday's *Hansard* yet. Consequently, nobody, except perhaps the Secretary of State for External Affairs, knows exactly what the minister did say yesterday in the House. This is a matter of considerable importance because we are dealing with a delicate question of international law. For that reason—

Mr. Speaker: Order, please. I am not sure that that is a legitimate point of order but, as the hon. member probably knows, in special circumstances yesterday the House sat for an extra hour. Most, if not practically all, of the discussion was in the French language yesterday and we were not quite prepared in our translation services to cope with the situation. This is why there is a bit of a delay this morning. I am assured that *Hansard* will be in the hands of all hon. members by twelve o'clock. The point of order having been made, perhaps the hon. member would ask his question.

Mr. Nesbitt: Mr. Speaker, my question is this. In view of what we were led to believe the Secretary of State for External Affairs said yesterday, will the government now allow the House to concur in the unanimous first report of the Standing Committee on Indian Affairs and Northern Development?

Some hon. Members: Hear, hear.

Mr. Nesbitt: Mr. Speaker, the Prime Minister was half out of his seat and it looked as though he were going to reply to the question.

Mr. Trudeau: Mr. Speaker, since I was applauded before I started to speak I thought I should stop while I was ahead.

THE CANADIAN ECONOMY

INFLATION—FURTHER DEFERMENT OF CERTAIN PRICE AND INTEREST INCREASES

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I direct a question to the Minister of Finance. Early in January the minister announced that certain companies had agreed to defer proposed increases in prices and charges. I refer to the copper industry, the railroad companies with respect to freight rates, and Eaton's and Simpson's with respect to interest rates on instalment purchases. Has the minister now received any assurance from these companies that the deferment will be extended beyond March 1, or will the proposed increases go into effect at the end of this month?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, the deferment was made on the basis that the proposals would be reviewed under the criteria determined at the general meeting held by the Prices and Incomes Commission, and this will be the case.

Mr. Douglas (Nanaimo-Cowichan-The Islands): May I ask the minister if any assurance has been sought from these companies that there will be no increase in the prices and charges which they propose until the Prices and Incomes Commission has had an adequate opportunity to review these matters?

Mr. Benson: Mr. Speaker, in one particular case I have been asked—the Prices and Incomes Commission has been asked to take a look at the particular matter. I have to check with respect to this. It is presumed, a general consensus having been agreed upon, that the business community will now live within the criteria which were set out in their agreement with the Prices and Incomes Commission.

Mr. Douglas (Nanaimo-Cowichan-The Islands): May I ask a related question, Mr. Speaker. Has the report which the minister was having prepared regarding the takeover of investment houses in Canada by foreign corporations been completed, and when may we expect to receive it?

Mr. Benson: Mr. Speaker, with respect to investment corporations as I indicated to my hon. friend we were awaiting, before releasing our report, the report which is being prepared for the stock exchanges and the Investment Dealers' Association. I understand there has been some slight delay due to the illness of the chairman, but I am hopeful that it will be forthcoming very shortly and at that time we will submit our report.

Mr. John Burton (Regina East): A supplementary question, Mr. Speaker. I should like to ask the Minister of Finance if the Prices and Incomes Commission will be reviewing the 118.8 per cent increase in the profit of Electrohome Limited in 1969?

Mr. Benson: Mr. Speaker, percentage figures do not mean very much unless one looks at the base, and I am not familiar with the particular situation raised by my hon. friend.

INFLATION—INCREASE IN PRICE OF MILK IN TORONTO

Hon. Robert L. Stanfield (Leader of the Opposition): I have a supplementary question,

Inquiries of the Ministry

Mr. Speaker. A week or two ago I asked the Minister of Finance and also the Minister of Consumer and Corporate Affairs about an announced increase in the price of milk in Toronto. I understood this was to be looked into to some extent. Has the minister any information he can give today?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, I shall have to take the matter up with the Minister of Consumer and Corporate Affairs as I was not here then.

Mr. Stanfield: You should not pass the buck like that.

[*Translation*]

AGRICULTURE

DAIRYING—SIGNING OF PETITION BY PARLIAMENTARY SECRETARY

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I have a question for the Parliamentary Secretary to the Minister of Agriculture.

As the Parliamentary Secretary recognized yesterday in the House that he himself had signed the petition submitted by 25,000 industrial milk farmers, which was to come to him, can he tell us whether he gave himself a phone call this morning to inform himself of what the dairy policy for 1970-71 will be, and what was the outcome of that telephone conversation?

Mr. Speaker: Order. I am under the impression that the hon. member wants to continue the very interesting debate that took place last night in the House. I do not believe the question, as worded, is in order.

[*English*]

FINANCE

INCREASE IN CAPITAL OUTFLOW, DECREASE IN BANK DEPOSITS

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, my question to the Minister of Finance is directed for the purpose of obtaining information which is not procurable by Members of Parliament either from the Bank of Canada or from the Bureau of Statistics. Will the minister say whether since the end of December there has been a considerable outflow of capital from Canada? Has his attention also been directed to the question of whether bank deposits have gone down considerably? If these facts are correct, is this one of the consequences of the fears aroused among Canadians over the white paper on taxation?

[Mr. Stanfield.]

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, I would have to check the figures but I am not conscious of any serious net outflow of Canadian funds. As my hon. friend knows, the exchange reserves have gone up rather steadily in the last year.

Mr. Diefenbaker: I am speaking about bank deposits having been withdrawn.

Mr. Benson: I presume my friend is talking about the exchange reserves and the over-all position of Canada vis-à-vis the rest of the world with respect to total inflow and outflow. I have not been informed of any serious decrease in our reserves. However, I shall look into the matter very quickly.

Mr. Diefenbaker: A supplementary question, Mr. Speaker. Would the minister be prepared to give the House a statement setting out the deposits in Canadian banks starting with last December? The latest figure I could get was for January 21 when there was a falling off of $420 million in deposits. Could the minister give the information from December up to as close to the present as possible? At the same time would he explain what is the reason for the large reduction in deposits in the banks?

Mr. Benson: Mr. Speaker, if there is such a reduction it may be that my right hon. friend has drawn out his bank balance.

Some hon. Members: Oh, oh!

An hon. Member: You had better direct your attention to the Prime Minister.

Mr. Benson: In light of the information or supposed information given to me by my right hon. friend, I would be pleased to look into the matter.

INDIAN AFFAIRS

PAYMENT FOR TREATMENT OF TUBERCULAR OR MENTALLY ILL INDIANS AND ESKIMOS

Mr. R. N. Thompson (Red Deer): Mr. Speaker, I should like to direct my question to the Minister of Indian Affairs and Northern Development. Does the government intend to continue denying responsibility for medical and hospital costs in respect of treaty Indians and Eskimos for tuberculosis and mental sickness in direct contravention of the minister's white paper on Indian affairs.

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr.

Speaker, the Minister of National Health and Welfare made a statement in this connection a few days ago and said that his department intended to continue to make those payments. In my opinion, the question does not apply at the moment.

[*English*]

Mr. Thompson: I have a supplementary question, Mr. Speaker. In view of the statement by the minister of Health for Alberta who says that the federal government refuses to pay any such costs and is thus directly abrogating its responsibility to the Indians and Eskimos, can the minister tell us whether he has had any discussion with officials of the Alberta government in recent months?

[*Translation*]

Mr. Chrétien: Mr. Speaker, Indian health services come under the jurisdiction of my colleague the Minister of National Health and Welfare. I did not have any discussion in this connection with the ministers of the Alberta government, but I had the opportunity to meet a few of them about other aspects of our Indian policy.

[*English*]

HAY LAKES—ALLEGED MISUSE OF BAND FUNDS BY GOVERNMENT OFFICIALS

Mr. G. W. Baldwin (Peace River): Mr. Speaker, is the minister now able to reply to the question I asked on several occasions last week and the beginning of this week about the allegations concerning irregularities in the use of band funds, which are supported by affidavits that have been in the hands of officials in the minister's department for almost two weeks?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, this question was asked in the House last Friday. I have received a preliminary report and I have delegated an official of the Administration division to investigate. He is now in Alberta and I am waiting for his final report so as to know whether there have been any irregularities.

[*English*]

Mr. Baldwin: Mr. Speaker, in view of the fact that one official of the minister's department has suggested this matter should be subject to a careful audit, is the minister not able to give the House some indication of his views at the present time?

Mr. Speaker: It seems the hon. member is simply reiterating the question asked originally.

[*Translation*]

NATIONAL PARKS

FORILLON—TRANSFER OF LANDS FOR ESTABLISHMENT OF PARK

Mr. Alexandre Cyr (Gaspé): Mr. Speaker, I have a question for the Minister of Indian Affairs and Northern Development.

The minister undoubtedly had worthwhile discussions in Quebec City on Wednesday morning. Could he tell the House whether a final agreement has been reached with the minister responsible for the Eastern Quebec Planning Bureau concerning the transfer of land for a national park in the Gaspé area?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, I did meet certain ministers of the Quebec government about the park at Forillon, and I told them that we were anxious to have the land. They submitted a request for exploring within the park boundaries in order to find natural gas, but I explained that the government could not authorize this type of exploration because the land was reserved for conservation and recreation purposes.

Mr. Cyr: Mr. Speaker, I wish to ask a supplementary question.

Does the minister agree that within the 85 square miles only oil development should be an issuable matter before the assignment of the land?

Mr. Chrétien: Mr. Speaker, an agreement was reached in May of last year. The terms were clear and there is nothing to change in this agreement. Of course, exploration for gas or other minerals cannot be allowed inside a national park.

ESTABLISHMENT OF PARK IN ST. MAURICE

Mr. René Matte (Champlain): I have a supplementary question, Mr. Speaker.

Could the minister tell us if in the discussions he had yesterday with the representatives of the Quebec government the development of a national park in the St. Maurice Valley was mentioned?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Yes, Mr. Speaker, it was mentioned, but we have

not yet come to an understanding in the matter. While I have the floor, I would like to draw the hon. member's attention to the fact that he made a speech on the subject on Wednesday—

Mr. Speaker: Order, please.

Mr. Chrétien: On a question of privilege, Mr. Speaker.

Mr. Speaker: The minister on a question of privilege.

Mr. Chrétien: The hon. member mentioned the St. Maurice river. I would like to draw his attention to the fact that both sides of that river are located in his constituency and that it is rather surprising that he does not know the boundaries of his own constituency.

Mr. Speaker: Order. It is clear that this is not a question of privilege.

[*English*]

NATIONAL DEFENCE

DEFERMENT OF SERVICE PENSIONS UNTIL AGE 65

Hon. Marcel Lambert (Edmonton West): My question is for the Minister of National Defence. Can he advise the House whether any studies have been conducted in his department or with Treasury Board officials regarding the deferment of service pensions or the applicability of service pensions at age 65 as a form of economy?

Hon. Léo Cadieux (Minister of National Defence): I would prefer to check thoroughly before I give a definite answer to this question. I believe that in the consideration of the problem this was one of the options that was studied, but I am not aware that this has been made a recommendation as yet.

Mr. Lambert (Edmonton West): I have a supplementary question, Mr. Speaker. Would the minister ascertain whether copies of such a memorandum were circularized to other departments, including the Department of National Revenue?

Mr. Cadieux (Labelle): Yes, Mr. Speaker. Now that I have been asked the question I will check into all aspects of this matter and will do so gladly.

INDIAN AFFAIRS

NORTHERN QUEBEC—TRANSFER OF JURISDICTION OVER ESKIMOS

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): My question is addressed to the Minister of Indian Affairs and Northern Development. Has he received a protest from the Eskimos of northern Quebec regarding the fact that they are likely to be transferred to the jurisdiction of the provincial government without being consulted? Also, can the minister tell the House whether or not he has been able to assure the Eskimos of northern Quebec that they will be consulted before any transfer of jurisdiction takes place?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, I have not received any complaint recently, but I had the pleasure last summer to visit several localities in New Quebec, and I may say to the hon. member that I gave that assurance to the Eskimos when I had the opportunity to talk with them.

[*English*]

Right Hon. J. G. Diefenbaker (Prince Albert): I have a supplementary question. The minister says he has not had any complaints lately from the Eskimos in Ungava regarding their transfer to provincial jurisdiction over certain phases of their lives. Is my understanding correct that he has not had any complaints lately because, if so, I want to follow that up?

[*Translation*]

Mr. Chrétien: Mr. Speaker, I have not received any direct complaint recently. I have read some newspaper reports, as did the right hon. member himself, and I have replied to a few questions. But if I am asked whether I have received complaints from Eskimos at my office, I will reply that to my knowledge I did not get any.

[*English*]

Mr. Diefenbaker: Then I wish to ask the minister whether he could tell the House how this duet that was sent up north to interview the Eskimos got along? Have the Eskimos consented to their conquest yet?

Mr. Douglas (Nanaimo-Cowichan-The Islands): When the minister says that he is prepared to consult the Eskimos, am I to understand that he is assuring the House there will be no transfer of jurisdiction without the agreement and consent of the Eskimos themselves?

[*Translation*]

Mr. Chrétien: Mr. Speaker, I abide by the basic agreement concluded in 1964 between

the federal government and the provincial government. We are now negotiating with the provincial government in order to determine whether we could purchase some services from that government for the New Quebec Eskimos, but there will be no transfer of jurisdiction without consultation with the Eskimos.

[*English*]

Mr. Diefenbaker: The question is whether it will be done without their consent.

[*Translation*]

Mr. Chrétien: Mr. Speaker, that is what we are doing at the present time, and when we have received a report from the officials now engaged in such consultations, we shall be in a position to inform the House on the situation.

[*English*]

Mr. Douglas (Nanaimo-Cowichan-The Islands): In view of the fact that consultation merely means discussion, will the minister give the House the assurance that unless the Eskimos themselves consent to the transfer there will be no transfer?

POLLUTION

OIL SLICK OFF NEWFOUNDLAND SOUTH COAST —WRECKING OF TANKER "ARROW" IN CHEDABUCTO BAY

Mr. James A. McGrath (St. John's East): I have a question for the Minister of Transport. Has his department determined the source of the oil slick discovered off the south coast of Newfoundland, and if this oil slick poses a threat to the ecology of the area what steps are being taken to dissipate it?

Hon. Donald C. Jamieson (Minister of Transport): We cannot, of course positively identify the source of the oil slick at the moment but a preliminary investigation has revealed that the situation occurred because of a leak of some kind in an Irving oil barge being towed in that area.

On the question of what we are doing about it, I might advise the House that this morning I appointed Dr. P. D. McTaggart Cowan to be the Department of Transport project manager with regard to the whole problem in the Chedabucto Bay area, and I have instructed him to proceed to Newfoundland also to investigate the situation there. Along with him will be Dr. Sheffer, vice-chairman of the Research Board, as well as Captain M. A. Martin of the Canadian Armed Services. This group will be looking at both these problems and coming up with recommendations. I hope on Tuesday to be able to make a full statement in the House on their proposals.

Mr. McGrath: In view of the serious and growing threat of oil pollution on Canada's east and west coasts, is the minister prepared to step up inspection services conducted by the department of vessels operating in our waters, and also, what steps will the government take in the area of surveillance to provide surveillance of tankers on the east and west coasts?

Mr. Jamieson: We will be stepping up the surveillance activities. I think the House will appreciate how difficult it is with so much coastline but, in addition, at the earliest possible time I am hoping we will be introducing legislation which will strengthen the Canada Shipping Act and give us more ability to deal with this kind of situation.

Hon. Robert L. Stanfield (Leader of the Opposition): Are we to take it from the minister's reply that the situation remains much the same with the *Arrow* and in fact no real progress has been made with regard to the oil that is still in the hull? May I also ask the minister why he has waited all this time to appoint a task force to take charge of the situation?

Mr. Speaker: I am not sure the second question is in order. Perhaps the minister might want to reply to the first of the two questions.

Mr. Jamieson: In so far as the first part of the question is concerned, the situation has stabilized in the area in the sense that there is virtually no oil leaking from the hull at present. There has been a consistent effort under way to clean up the beaches. Quite a bit has been done, and we have been in consultation with the government of Nova Scotia during the last week and a half. We are now in a position to get an organized effort under way to try to do the job as quickly as possible.

Mr. Stanfield: Has any progress been made with regard to disposing in a safe way of the oil that is still in the submerged tanker?

Mr. Jamieson: Yes, in terms of the various techniques available to us some progress has been made. This is why I appointed Dr. McTaggart Cowan, who is a renowned scientist, because I want to be certain before any

steps are taken that we have minimized the threat. The plan is to attempt to pump the oil out from the ship into barges alongside and to take it away from the scene entirely. But, I repeat, I wanted to be very sure that we had scientific advice on this before it was started.

Mr. Robert McCleave (Halifax-East Hants): Has the minister decided yet on whether there will be a public hearing into the *Arrow* disaster, and did the department obtain statements from the captain or crew as to the cause of accident before these people left Canada for Greece?

Mr. Jamieson: As to the first part of the question, it is my intention to call for an inquiry under the Canada Shipping Act in the first instance and to consider as well the advisability subsequently of holding an even broader inquiry into all the events that have flowed from this particular difficulty.

As to whether we took statements from the captain and the crew, I believe that officials of the Department of Transport did obtain statements from them.

Mr. J. M. Forrestall (Dartmouth-Halifax East): I wonder if I might ask the minister whether or not in his statement on Tuesday he will fully advise the House as to the reasons why the *Arrow* was not burned during the 48-hour period when it could have been burned?

Mr. Speaker: The hon. member is making a suggestion that this be included in the minister's eventual statement.

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, my supplementary question is somewhat along the lines of the previous one. I wish to ask the minister whether, following his instant but undoubtedly expert survey at the scene of the *Arrow* disaster, his statement on Tuesday, which I gather is not only going to cover the pollution angle but the circumstances that led up to the accident, will detail what efforts the department made and what plans it had to remove the ship before it broke in two upon Cerberus rock?

Mr. Jamieson: Mr. Speaker, I do not believe it would be appropriate for me on Tuesday to go into all the possible causes of the accident. As I have said, these are the subject of an inquiry. I think the House should be aware—and I believe this has been said several times publicly—that the people who were on the scene, either from the Department of Transport, Imperial Oil or the Armed Forces, did everything they possibly could under the circumstances.

Mr. Speaker: Order, please. I have to interrupt the minister in order to remind hon. members that we have just about run out of time for the question period. Since we have had so many supplementaries on but two or three subjects, I invite the co-operation of hon. members in order that we may try to move on because since the beginning of the question period, I have seen perhaps 25 to 30 members rising in their places to ask questions.

FISHERIES AND FORESTRY

TREATMENT OF SURPLUS EMPLOYEES—USE OF PUBLIC SERVICE COMMISSION REVIEW PROCEDURES

Mr. David Orlikow (Winnipeg North): Mr. Speaker, in the absence of the Minister of Fisheries and Forestry, who should be in attendance in the chamber today, I would like to direct a question to the Prime Minister. In view of the lay-off of a large number of highly qualified scientists in the Forestry Department and their inability to find alternative employment, would the government consider, even at this late date, following the procedures suggested to all departments by the Public Service Commission respecting the establishment of adequate review procedures to protect the rights of employees?

Mr. E. F. Whelan (Parliamentary Secretary to Minister of Fisheries and Forestry): Mr. Speaker, the Minister of Fisheries is not in attendance because he is on business in British Columbia. We in the department feel that we have established the most complete and competent review procedures. Employees have the right to appeal. Many of them have been evaluated over a period of months by senior personnel. We do not know what more could humanly be done, but we are willing to listen to reason.

Mr. Orlikow: A supplementary question, Mr. Speaker. Would the department consider postponing the date of the lay-offs of these highly trained personnel pending another serious attempt to relocate or reassign these people in the Public Service?

Mr. Whelan: Mr. Speaker, we are doing everything humanly possible to aid these people.

INDIAN AFFAIRS AND NORTHERN DEVELOPMENT

FROBISHER BAY—DELAY IN EMPLOYEES RECEIVING PAY CHEQUES

Mr. Len Marchand (Kamloops-Cariboo): Mr. Speaker, I have a question for the Minister of Indian Affairs and Northern Development. Could the minister advise the House whether he has received complaints from the employees of his department at Frobisher Bay about not receiving pay cheques, and what his department has done about this matter?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, we have received a few complaints in that respect, and I can assure the hon. member that the cheques were forwarded yesterday. If there is no delay with the air transportation or the delivery of the mail, the addressees should receive their cheques in a very short while.

INDUSTRY

TEXTILES—ANNOUNCEMENT OF NEW GOVERNMENT POLICY

Mr. Roland Godin (Portneuf): Mr. Speaker, I wish to direct a question to the Minister of Industry, Trade and Commerce.

Has the minister received a telegram from the committee which is now studying the situation in the textile industry, and if so, could he indicate whether he will release soon the new government policy, as he had promised to do last December?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Yes, Mr. Speaker.

Mr. Georges Valade (Sainte-Marie): Mr. Speaker, I want to put a supplementary question.

I should like to ask the minister whether he has contacted the labour-management committee in order to give them the reasons why the government is so slow reaching decisions on this matter.

Mr. Pepin: Many meetings have taken place, Mr. Speaker, with both the management and union representatives in the last few weeks and the gentlemen on both sides are well aware of the difficulties we are facing. I have the feeling that they understand quite well why we experience some delay in producing a new policy.

[*English*]

VETERANS AFFAIRS

INCREASE IN HOSPITAL DOMICILIARY CARE RATE

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, my question is directed to the Acting Minister of Veterans Affairs. It has to do with the inconsistency of the government in urging price increase restraint. Could the minister explain why the Department of Veterans Affairs has increased the domiciliary care rate for war veterans in its hospitals from $120 to $300 a month, an increase of 150 per cent?

Mr. Speaker: I recognize that this is an important question but at the same time it seems to me it is put in the form of an argument. It invites debate. In this way it is not in order. If there is urgency about the matter, perhaps it might be considered at the time of adjournment.

GRAIN

ACREAGE OF RAPESEED PLANTED

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, I have a question for either the Minister without Portfolio from Saskatchewan or the Minister of Industry, Trade and Commerce. The question concerns both departments. I would like to have them get their heads together; in fact, I would really like to bang their heads together. In view of the fact the Wheat Board states that the amount of rapeseed seeded last year was 1,650,000 acres, and the Department of Industry, Trade and Commerce indicates that the figure was some 2 million acres, which would have a reflection on world trade so far as free movement and pricing are concerned, would the two departments get together and find out exactly what the situation is?

Mr. Speaker: Order, please.

Mr. Korchinski: On a point of order—

Mr. Speaker: Order, please. I appreciate that the hon. member may have a supplementary, but it seems to me he is making a representation.

Mr. Korchinski: It is not a supplementary; it is a question.

Mr. Speaker: Is the hon. member suggesting he has not asked the question yet?

Mr. Korchinski: No, no. I am asking for the truth to be told by the departments, and I am suggesting that the issuing of wrong figures somewhere may have a reflection on world trade so far as pricing of and demand for rapeseed are concerned. This is the purpose of my question. It is not a frivolous question.

Mr. Speaker: Order. It seems to me that the hon. member has asked his question, but just a moment ago I brought to the attention of hon. members the fact that there are just a few minutes left in the question period. I would invite the co-operation of the hon. member. If he has a further question to ask, I invite him to ask it briefly.

Mr. Korchinski: Mr. Speaker, may I then ask the Minister without Portfolio from Saskatchewan what are the exact figures for the planting of rapeseed?

Hon. Otto E. Lang (Minister without Portfolio): Mr. Speaker, I shall be glad to bring forward the exact two sets of figures which are available on the subject. The Wheat Board figures tend to report the total acreage in the permit books, and the departmental figures give an analysis of rapeseed planting from surveys conducted previously by it.

Mr. Speaker: The hon. member for Skeena.

Mr. Korchinski: May I ask a supplementary?

Mr. Speaker: Order, please. The hon. member for Skeena.

POLLUTION

TESTING OF WATERS ADJACENT TO COLUMBIA CELLULOSE MILLS, WATSON ISLAND, B.C.

Mr. Frank Howard (Skeena): Mr. Speaker, I wish to direct a question to the Parliamentary Secretary to the Minister of Fisheries and Forestry, of which I have given notice. Would the minister or the Parliamentary Secretary agree to the tabling of the results of testing for oxygen depletion, as well as other factors, of the waters adjacent to the Columbia Cellulose pulpmills at Watson Island near Prince Rupert?

Mr. E. F. Whelan (Parliamentary Secretary to Minister of Fisheries and Forestry): Mr. Speaker, this seems like a reasonable request to us and we thank the hon. member for giving us notice. The fact that the request seems reasonable might surprise some people. I can assure the hon. member that the minister will consider it sympathetically, and if there is a report or information that can be tabled it will be done.

HARBOURS

TORONTO—REPLACEMENT OF COMMISSION

Mr. Walter Deakon (High Park): Mr. Speaker, I thank hon. members for their applause. After rising 20 times I appreciate being recognized by the Chair. I should like to direct a question to the Minister of Transport. Is it the minister's intention to replace the existing Toronto Harbour Commission with a new marine administration authority, under the reorganization of his department?

Hon. Donald C. Jamieson (Minister of Transport): No, Mr. Speaker, there is no such intention. There will be consultations with the Toronto Harbour Commission. If they wish to make certain modifications or changes in their role, I will certainly be glad to consider it, but there is no thought of abandoning that commission.

HOUSING

REQUEST FOR STATEMENT ON PUBLIC HOUSING GUIDELINES

Mr. John Gilbert (Broadview): Mr. Speaker, may I direct a question to the minister in charge of housing. Has the minister completed his discussions with his provincial counterparts on the problem of guidelines for public housing? If so, when can we expect a statement from him?

Hon. Robert K. Andras (Minister without Portfolio): To answer the first part of the question, Mr. Speaker, the discussions have not been completed and therefore, to answer the second part, I think it naturally follows that the statement will have to wait until they are completed.

[*Translation*]

POST OFFICE

PURCHASE BY DEPARTMENT OF G. LAPALME INC. TRUCKS

Mr. Georges Valade (Sainte-Marie): Mr. Speaker, my question relates to a statement made the other day by the Postmaster General and Minister of Communications to the effect that his department had decided to buy the 315 trucks of G. Lapalme Inc. at the expiration of the contract. In the absence of

the Postmaster General, I address my question to the Minister of National Revenue. As it is the third similar transaction, can the minister tell us if his government will have to pay the provincial sales tax of 8 p. cent for the third time on the purchase of these trucks, if the department feels that this accumulated total surcharge of 24 p. cent is an indication of clever administration, and what is the total sum the government must pay for these trucks?

Mr. Speaker: I think the hon. member is asking the minister to give statistical information and I doubt that the question in this form is acceptable.

[*English*]

ROYAL CANADIAN MOUNTED POLICE

METHODS USED IN INVESTIGATIONS OF MEMBERS OF BLACK COMMUNITIES AND CLUBS

Mr. Lincoln Alexander (Hamilton West): Mr. Speaker, I have a question for the Solicitor General. He has notice of it. It has to do with alleged methods utilized by the RCMP with respect to massive and indiscriminate investigations of members of black communities and their clubs throughout Canada. I know the minister is having the matter investigated. When can we expect a report from him as to his investigation?

Hon. G. J. McIlraith (Solicitor General): On Monday, Mr. Speaker.

Mr. Speaker: Orders of the day.

Mr. Nesbitt: Mr. Speaker, I rise on a point of order. Earlier this week I asked the Minister of Transport a question about the quantity of fuel oil carried by the *Manhattan*. The minister at that time very graciously and generously undertook to provide the House with the information later in the week. Perhaps he might have the opportunity to reply now.

Mr. Speaker: Order, please. The hon. member has asked a question. There are a number of other hon. members who have not had an opportunity to ask their questions. If they attempted to ask them by way of raising points of order after the question period has expired we might run into some procedural difficulty.

Mr. Douglas (Nanaimo-Cowichan-The Islands): On a point of order, Mr. Speaker, when I asked the Minister of Indian Affairs and Northern Development for an assurance regarding the securing of the consent of the Eskimo people before a transfer of jurisdiction is agreed to, the minister rose to explain the matter and Your Honour, understandably desiring to get on with the business of the House, cut him off. I wonder if the minister might have an opportunity to complete his answer?

Mr. Speaker: It seems to me the minister might have an opportunity to rise on another occasion. However, if there is unanimous agreement he might answer now. Is there unanimous consent?

Some hon. Members: No.

Mr. Speaker: The minister does not have unanimous agreement. Hon. members must realize that the question period expired three or four minutes ago. I have tried to assist hon. members by prolonging the agony for a few minutes but I think we now ought to go with the business of the House.

Mr. McIlraith: Mr. Speaker, I wonder if I might have permission of the House to revert to motions to make a short announcement which I believe will be of interest to the House?

Mr. Speaker: Has the Solicitor General the unanimous consent of the House to revert to motions for the purpose of making a statement?

Some hon. Members: Agreed.

ROUTINE PROCEEDINGS

ROYAL CANADIAN MOUNTED POLICE

DEPORTATION OF DESERTERS FROM U.S. ARMED FORCES—APPOINTMENT OF INQUIRY COMMISSIONER

Hon. G. J. McIlraith (Solicitor General): Mr. Speaker, some days ago in answer to questions about the departure from Canada of three alleged United States deserters through a British Columbia port of entry, I indicated to the House that we were investigating the matter through the RCMP and that I would make a further report to the House as soon as that investigation was completed and would also deal then with the question of what subsequent action should be taken. That investigation has been completed and a report has been made to me. The government has decided to appoint a commissioner to inquire into the alleged irregular departure of these three persons from Canada. As soon as the

name of the commissioner is known and the terms of reference settled the name and terms of reference will be given to the House.

Mr. Speaker: Orders of the day.

• (12:00 noon)

GOVERNMENT ORDERS

AGRICULTURAL PRODUCTS CO-OPERATIVE MARKETING ACT

AMENDMENT OF DEFINITION OF "AGRICULTURAL PRODUCT"

Hon. H. A. Olson (Minister of Agriculture) moved that Bill C-183, to amend the Agricultural Products Co-operative Marketing Act, be read the second time and referred to the Standing Committee on Agriculture.

He said: Mr. Speaker, as hon. members will be aware, this bill makes a very small amendment to the Agricultural Products Co-operative Marketing Act but, in my opinion, it is a very important amendment for the wheat growers of eastern Canada, and particularly Ontario. I should advise Your Honour that we have reached an agreement through the usual channels to adjourn this debate at one o'clock and, if we finish the second reading stage before one o'clock, to ask the unanimous consent of the House to have the bill considered in committee of the whole instead of referring it to the standing committee, in order that we may deal with this small but important amendment.

This Act became law in 1939. The general objective of the act is to promote the orderly marketing of agricultural products. Under the legislation a group of producers wishing to market products collectively may enter into an agreement with the Minister of Agriculture. These agreements provide for a guarantee of bank loans covering initial payments, processing, carrying and selling costs.

Under the Act the initial payment to producers must not exceeed 80 per cent of the average price paid to producers according to grade and quality over the three year period preceding the year of production. It also provides that equal returns must be made to primary producers for agricultural products of like grade and quality. Further, it provides that final returns must be made to primary producers of the proceeds of the sale of the product after deducting processing, carrying and selling costs.

Many producer groups in different provinces have used or considered using this legislation from time to time and, since 1939 when the Act came into force, a variety of agricultural products have been marketed under the act. Chief among these have been forage crop seeds, potatoes, ranch-bred fox pelts, fresh apples and apples for processing, maple syrup, tobacco, and beans. At the present time there are agreements under the provisions of the Act with respect to the marketing of processed apples in Quebec and beans in Ontario.

The purpose of this amendment is to include wheat, other than that grown in the designated area under the Canadian Wheat Board Act. Currently wheat is excluded, because at the time this act became law all wheat was under the Canadian Wheat Board Act which provided, as hon. members know, for initial payments, pooling and things of that nature. Since World War II, Ontario has not been part of the designated area under the Canadian Wheat Board Act and, therefore, is excluded from the initial payments, pooling provisions and measures of that sort embodied in the Act. Ontario wheat producers have been giving serious consideration to marketing their wheat on a pool basis, with initial payments being paid to producers on delivery. As a result, the Ontario Wheat Producers' Marketing Board has requested this type of amendment. With this amendment the Ontario producers would have available to them the same legislation that is available to other agricultural producers.

As hon. members well know, Mr. Speaker, and as I said at the outset, this amendment is simply to change the definition of agricultural product to mean any kind of grain, other than wheat, that is grown in an area that is defined as a designated area by the Canadian Wheat Board Act. There are no other amendments here.

We believe that we should respond to the request of the Ontario Wheat Producer's Marketing Board so that if they decide to pool the wheat grown in any year in Ontario they could take advantage of the guarantees of credit that are available by the Department of Agriculture under this Act. If the producers received these payments, they could perhaps have larger volumes of credit available to them and perhaps even at a more favourable rate of interest.

If the House concludes second reading before one o'clock, I will be asking for consent to go into Committee of the Whole so that we can dispose of this small amendment to the Agricultural Products Co-operative Marketing Act.

Mr. H. W. Danforth (Kent-Essex): Mr. Speaker, I wish to thank the minister for the courtesy he has shown the House by the fullness of his explanation regarding this amendment to the Agricultural Products Co-operative Marketing Act. The minister is correct in his assumption that this seems to be a minor amendment to an Act which is already part of the law of Canada. However, it is of particular significance to the producers of wheat in eastern Canada, particularly in the province that I have the honour to represent.

I am very pleased by the indication of the minister that he wishes this particular measure to go before the Committee of the Whole. Since it is of particular significance to one part of Canada, I think we can make much better progress that way than by referring it to the standing committee for consideration. In committee the Ontario members in particular will be asking many questions for clarification of what the government proposes, its powers and plans for this particular commodity.

I wish to give some background of the workings of the Ontario Wheat Producers Marketing Board at the present time, and some of the problems they have been encountering. It is my understanding they have been negotiating with the Minister of Agriculture (Mr. Olson) to see whether a change in the statute might make it possible for them to act in a manner which would be of more benefit to the farmers they represent. I would like to point out that I am very much indebted to my colleague, the hon. member for Huron (Mr. McKinley) for many of the facts I wish to present today. With his very close association with the Wheat Board over the years, he has become very knowledgeable in this particular field. He has provided the real basic background for my remarks today.

The wheat growers in Ontario belong to a marketing board known as the Ontario Wheat Producers' Marketing Board. This board was formed under provincial legislation. It has been the aim and object of this particular board, in representing the farmers to produce wheat in Ontario, to sell this commodity at the very best possible price and to negotiate each year a floor price below which no grower is forced to sell. A request was made after World War II, that this particular commodity be removed from the jurisdiction of the Canadian Wheat Board because this type of wheat is not the same as that which is normally grown in the west. It has a different growing period, and is not the same in protein content or composition. It is used for blending and many other purposes for which western wheat is not normally used.

As is its custom, the board last year again negotiated a floor price for the wheat offered for sale by the Ontario farmers. In order to make the floor price stable, the board agreed to buy any wheat for which a ready market could not be found at the established price. During the period July 1, 1968 to June 30, 1969, which is the end of their year, the board carried forward 374,000 bushels of the 1966 wheat crop which had not been sold. They also carried forward 3,536,000 bushels of the 1967 wheat crop. They purchased 3,700,000 bushels of the 1968 wheat crop, making a total of 7,610,000 bushels from these three crops. I am happy to announce that by the end of September last, the board had sold the 1966 crop carry-over and a rebate of 6.11 cents was issued to 22,000 producers who had contributed to the 1966 crop.

There is a deduction from the selling price of the current crop which the Board uses to finance its operations and to cover the necessary expenditures when buying the surplus wheat. By the end of November last, the board had sold the 1967 crop carryover and had accrued a loss which was taken out of the reserve fund. Two major contracts accounted for the bulk of sales. Only minor quantities moved in the domestic feed market.

This brings me to one of the problems which this board faces. At times the board needed, for specific purposes, large quantities of wheat. The only possible way to meet this situation would be to have the wheat in the hands of the Wheat Board. If it is stored on the farms, with a small portion at the mills, when a large order is received it is very difficult to assemble the wheat from the various points.

Although the board has been very successful in the selling of wheat, the members of the board realize they are entering very precarious times indeed. They are faced with a market where the demand for this wheat seems to be falling as well as the price. An indication of this is that the average selling price of the board's 1967 stocks was 20 cents per bushel below the 1966 price. Although the 1968 stocks are not yet all sold, the indications are there will be a further decline in price, which may be in the area of six cents per bushel.

It has been the custom of the board to deduct from the farmer 17 cents a bushel

when he offers his grain for sale. This money is used to operate the board and to take care of the financing of surplus wheat in order that the floor price may be maintained. However, the board now finds that they are being very hard pressed to finance in this particular fashion. That is why they are investigating the possibility of coming under this Act which would make it possible for them to request government financing on these purchases.

The wheat that is used in the domestic market is used by the flour milling industry and cereal manufacturers. They take approximately 8.5 million bushels of our wheat annually. In order to keep in touch with developments in this market, the board meets with the farmers or their representatives in a general session at least once a year. The market for finished products is not expanding very rapidly and the export market is declining as a result of severe competition from other countries. When large export flour orders for foreign aid require our wheat, the board is frequently requested to offer its stocks to the mills since they are the only owners of large blocks of wheat at any given time.

• (12:10 p.m.)

This is why we need large stocks from time to time in order to comply with these large orders. It frequently becomes obvious to the board that it is to the advantage of producers that it should own these large supplies in order to meet the special demands of foreign orders, whether they be for flour or wheat. This is an area in which we have encountered another problem in connection with the operation of the board. I refer to storage. It has always been difficult to obtain sufficient storage whether in local or terminal elevators, particularly since at the time the crop is being taken off there are usually large stocks of feed grain and United States imports in the same elevators.

The 1969 crop produced further difficulties for the board as a result of heavy rain and warm, damp weather over large parts of the production area, especially in Essex and Kent counties in southern Ontario. The wheat sprouted in the heads before it was ever harvested—a condition rarely seen—and as a result a large quantity had to be downgraded to No. 4 and No. 5 and had to be sold as feed.

In these circumstances, the board moved in, maintaining a floor price to growers of $1.35 a bushel on these grades. It took more than 2,624,000 bushels and as of November 1, last fall, it had sold 1,752,000 bushels. The latest figures as to total stocks owned by the board as of November 1 are: milling grade, 634,286 bushels; sample grade, 1,872,179 bushels. Due to the fall in the price of wheat on the world market some changes will have to be made in the board's stabilization policy before the 1970 crop comes on to the market. These changes are being considered in detail, which is why they are negotiating and asking questions of the minister.

Speaking as a producer of this type of wheat, there are many serious questions I should like to present to the minister before we allow this legislation to proceed. We are under the impression that, in connection with this board, the minister will have complete authority to establish additional payments for wheat. Payment may be based on a three-year average or otherwise as prescribed by the minister. We understand, too, that if the bill is passed the minister will have the power to designate the regions to which the legislation shall apply and, in addition, the power to designate the channels through which the wheat will flow.

It is questionable whether the growers are willing to accept the regimentation of such regulations in exchange for the financial stability which they may feel is provided to them by the Act.

Mr. Olson: We can put that in the contract.

Mr. Danforth: The minister says we can put that in the contract, and it may well be so. Nevertheless, in the committee stage I hope to learn more details about this important aspect. The experience of some marketing schemes in the area I have the honour to represent has not always been a happy one. Many producers have expressed dissatisfaction at the way in which marketing schemes have been established. Since we are dealing, today, with just another marketing scheme, or the development or evolution of a marketing scheme already in being, we shall have many pertinent questions to ask.

In conclusion, I may say on behalf of the producers that we are glad this matter has been brought to a head. It was inevitable that the present step would have to be taken. During the committee hearings we shall have an opportunity to obtain much more pertinent information and I know producers will wish to express concern about the amount of power the department and the minister possess under the terms of this particular legislation. There is, of course, one redeeming fea-

ture—its terms cannot be imposed upon primary producers until those producers have had an opportunity to express, through a vote, their wishes in this regard.

We are very grateful that the minister has brought this issue to a head; we shall have an opportunity to deliberate further upon this proposal long before harvest time. Board members and producers will have an opportunity to examine this new approach in detail and decide whether this measure will provide the solution they are seeking for the vexing problems they have been experiencing.

Mr. A. P. Gleave (Saskatoon-Biggar): I intend to be very brief, Mr. Speaker. The fact that it is proposed to deal with this bill in the committee of the whole will permit the closer examination of this measure which needs to be undertaken at this time.

There are only one or two points which occur to me. Under this legislation the initial payment to the primary producer is a percentage not to exceed 80 per cent of the previous three years average price. Under the terms of the stabilization act, a higher level of support than this could be made available to producers. I wonder why this particular avenue was chosen in view of the fact that these particular producers are in a difficult position at the moment. Hopefully, of course, this situation will change and improve. So the question is: are we being asked to do the most effective thing that can be done at the moment? Undoubtedly, we can get the answer to this question when we are in committee.

I am informed that the Farmers Union wished to have the proposed bill amended so as to include oats and barley within the designated area.

Mr. Olson: They are in it now.

Mr. Gleave: Thank you, that is another question I should like to hear discussed in committee of the whole. With these reservations, which are not serious reservations, I think we are ready for the measure to proceed to the committee.

Mr. Speaker: If the minister speaks now he will close the debate.

• (12:20 p.m.)

Mr. Olson: Mr. Speaker, inasmuch as it is only about 20 minutes after 12, I should like unanimous consent of the House to go into committee of the whole to deal with the one amendment to the bill.

Mr. Speaker: Is that agreed?

Some hon. Members: Agreed.

Mr. Burton: Before we move beyond second reading, Mr. Speaker, it would seem to me reasonable to have an answer to the problem posed by the hon. member for Saskatoon-Biggar (Mr. Gleave). I wonder whether the minister would do that in closing second reading?

Mr. Olson: Mr. Speaker, if I understood the hon. member for Saskatoon-Biggar correctly, he suggested that I give him the reply to his question when we went into committee of the whole.

Mr. Speaker: Is that agreed?

Some hon. Members: Agreed.

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

Some hon. Members: Agreed.

Motion agreed to and bill read the second time.

Mr. Speaker: This bill stands referred to the committee of the whole.

House in the committee of the whole on Bill C-183, to amend the Agricultural Products Co-operative Marketing Act—Mr. Olson—Mr. Faulkner in the chair.

On clause 1—"*Agricultural product*".

Mr. Olson: Mr. Chairman, the officials from the department will be in the committee in one or two minutes to give some more precise answers to the questions raised on second reading stage, but I should like to answer the question put by the hon. member for Saskatoon-Biggar. He pointed out that a request had been made to include coarse grains within the terms of the Act.

I should like to point out to the hon. member that coarse grains have not been excluded from the Act in the past. If he would look at the interpretation section of the act, he would discover that at the present time these products are not excluded from the legislation. He will realize that the provisions of the Canadian Wheat Board Act do, in fact, supersede some of the provisions of this Act, and certain matters are under the management or control, for marketing purposes, of the Canadian Wheat Board at the present time.

He will also realize that the Canadian Wheat Board does now make initial payments on oats and barley and other feed grains such

as feed wheat. If a pool has a surplus, then a final payment is made. This is exactly what will happen with wheat that is marketed through the Ontario Wheat Marketing Board if the amendment is made to the Act. In that event, the Minister of Agriculture, under the authority of the Agricultural Products Co-operative Marketing Act, can guarantee the initial payments that will be made by the Ontario Wheat Marketing Board under a contractual arrangement between the minister and the board.

As I say, coarse grains are not excluded from the Act at the present time, nor have they been in the past. As a matter of fact, the terms of the amendment have already been implemented with regard to the inclusion of coarse grains within the jurisdiction of the Canadian Wheat Board.

Mr. Howe: Mr. Chairman, we in Ontario have listened intently to the arguments and discussions that have taken place in this House, not only today but for years, with regard to the Canadian Wheat Board Act, legislation respecting the Board of Grain Commissions, matters affecting elevator operators, and other legislation having to do with the marketing of western wheat.

With regard to this bill, I hope its passage will be of some advantage to the Ontario Wheat Marketing Board. However, farmers are getting a little disturbed at the extent of the influence and power of grain boards. We have all heard of the situation that has developed as a result of the wheat surplus in the west. Farmers who want to move their wheat and make some money are being charged with bootlegging wheat. They get into trouble if they take their wheat across provincial borders. A lot of problems are arising.

We had an example of this yesterday. A few farmers who had a tremendous surplus of wheat wanted to have the wheat milled and given to some starving Metis in northern Saskatchewan. However, the regulations made under the Canadian Wheat Board and grain marketing legislation prohibited this. As I say, I feel we have in some ways given away the authority both of the House and of the individual to the Governor in Council as a result of certain measures passed in the last few years.

I sometimes wonder whether in these simple little legislative measures that come before us something takes place that we do not understand. This would seem to be the case when it comes to movement of Ontario wheat across the border into the province of Quebec or into some other part of Canada by a farmer who might want to use his own product, that he has grown on his own land, in the way he thinks best. Regulations of this type may appear to be simple, but when they are put into effect and are applied by order of the Governor in Council they become almost monstrous. They restrict the individual to such an extent that he no longer has the power to govern his own affairs.

I hope the minister will be able to explain whether we are here infringing on any provincial law, and just how far the power of the Governor in Council will go as a result of the passage of this amendment before the committee.

Mr. Olson: Mr. Chairman, in reply to that question may I inform the hon. member that the kind of power to which he refers is not dealt with in this Act, nor indeed in this amendment. To be more specific, the authority given the Governor in Council by the House is spelt out. The reason it is spelt out is to enable us to enter into an agreement, or a contract, if you like, with any co-operative marketing board. In this case, we are directing our attention specifically to the Ontario Wheat Marketing Board since we are amending the Act simply to include wheat within its provisions.

My hon. friend referred to movement of grain, and so on. This is a matter that comes under the provincial statute. The Ontario wheat marketing act is a provincial law and Ontario has devised its own rules and regulations. All that this amendment to the federal act does is to include a provision to allow the Minister of Agriculture to enter into a contract with the Ontario Wheat Board to guarantee the funds that they would need to make an initial payment of up to 80 per cent of the average price for the last three years to producers on delivery. Later on, when the pool is sold a final payment can be made.

Mr. Gleave: May I thank the minister for answering my question about the inclusion of oats and barley. I was referring in particular to a wire sent by the National Farmers Union, of which I have a copy, which recommends amending section 1 of the act so as to add the words "oats and barley" to the words "grown in the area that is defined as a designated area by the Canadian Wheat Board."

• (12:30 p.m.)

I certainly accept the minister's statements at their face value but at the same time I

think I have to accept the concern of the organization for direction in that particular area of marketing operations. I hope that the minister would give it consideration. This 1939 act is now being brought into operation in a very important area. It has served in some areas of marketing, shall I say sporadically, and in others continuously, during previous years. I think it is a specific amendment, a specific proposal which might very well be considered.

The other question which I directed to the minister, and to which the committee has not received an answer, was why it is proposed to move under this particular bill which puts a definite limit on the support which may be given to these farmers rather than the Agricultural Stabilization Act which sets a definite minimum which may be given. Under this act, the maximum is 80 per cent of the price structure in the previous three years. In the other act the minimum that can be supported is 80 per cent of the previous ten years.

If the government considered it advisable, it could set a higher level of support than this. This is now done in the sale of consumer products. Was this choice made to conform with the wishes of the producers or at the wish of the government?

Mr. Olson: Perhaps I could answer both questions now. We did receive representations from the National Farmers' Union, and perhaps it would clear up the matter if I were to read my reply. It is addressed to the president of the National Farmers' Union, is dated February 18, and reads:

I understand from my department that you have raised some concerns with respect to Bill C-183, an Act to amend the Agricultural Products Co-operative Marketing Act. I understand that you have a copy of the Act and of the proposed amendment at hand.

As you know, the definition of an agricultural product under the Agricultural Products Co-operative Marketing Act excludes wheat totally, and therefore wheat produced anywhere in Canada cannot be brought under the Act. The Canadian Wheat Board Act, of course, provides for a pooling system, initial payment, etc., for wheat in the area designated under the Canadian Wheat Board Act. The Ontario Wheat Marketing Board is now interested in making some provisions for pooling and making an initial payment pricing on wheat produced in that province. It seemed quite unreasonable that wheat grown in eastern Canada should be excluded from the benefits of the Agricultural Products Co-operative Marketing Act, and it is for this reason that we have proposed this amendment.

I understand that your concern relates to coarse grains. I did not see any reason to deal with this subject since coarse grains produced anywhere in Canada could in the past, and can at the present time, be included in the definition of an agricultural product under the Agricultural Products Co-operative Marketing Act.

I trust that this letter may be helpful in clarifying the reason for this amendment.

In dealing with the other point, I should like to draw the hon. member's attention to the fact that this is not a support program, as is usually undertaken under the Stabilization Act. We do not always make an advance payment up to 80 per cent, though we are allowed to go up to 80 per cent but only as an initial payment, and whatever additional amounts are available as a result of the final sale will be remitted to the farmers. It can be more than 20 per cent, depending on what is available. I would not like to have any confusion in the minds of hon. members with respect to the purposes of this amendment and what is usually done when the Stabilization Act is brought into play, which is to make up the difference, to raise the price. What is envisaged under this Act, and what it has always been used for, is to make guarantees to the banks, for co-operative marketing boards or associations or whatever other arrangement they have, who make an initial payment to the primary producer for the goods on delivery.

Mr. Whelan: Mr. Chairman, I think I would be remiss if I did not say something about this amendment that the minister is proposing. As one of the first members of the Ontario Winter Wheat Producers Board, as a director of that board in Ontario for several years before coming to this House and still being a wheat producer in my own area, I can say this has probably been one of the most successful marketing boards in Canada. It has not cost the provincial or federal treasuries any money. This amendment will probably make it an even better board.

I remember the difficulties we were placed in when we negotiated the price of wheat for the board. The board did not have all the authority that will be given to them under this amendment. We have heard a great deal about a two-price system, and this board has operated under a two-price system very successfully. This is probably one of the reasons that wheat is one of the most stable crops that can be grown in Ontario.

As I understand the purpose of the amendment, as I think was just stated to the hon. member from Saskatchewan, it is to put the board in a better position to borrow money

from the banks. This used to be our most difficult problem because we needed a lot of short term money at harvest time. This amendment would put the board in a better position to borrow because the government would actually be guaranteeing the handling of funds.

Mr. Olson: That is right.

Mr. Whelan: I would say let us get on with it, let us pass it. If the producers want this help, it will be up to them to say so by a vote. As I understand it, the producers must express the opinion that they want this type of legislation but we can put it on the statute books for their use.

Mr. Knowles (Norfolk-Haldimand): My remarks will be brief, Mr. Chairman, because like the hon. member for Essex, I think we should get this bill passed. It is something which will be useful to the wheat producers of Ontario. The assistance which can be made available under this measure will be most welcome to the Ontario Wheat Producers' Board because, as the hon. member for Essex said, that is one of the few boards which has been able to finance its own operation through deductions and provide for a two-price system.

After having run into some difficulties with surpluses over the past few years, this amendment will provide a welcome relief. I congratulate the minister for acceding to the request that this amendment be put before us so that we can deal with it. The only reservation I have, and the minister gave me an explanation privately but I wonder if he might want to put it on the record, is whether this amendment would put the director of the Ontario Wheat Board directly under the control of the Canadian Wheat Board. Perhaps, the minister will clarify that in his reply.

One question which came to my mind is, how much control of the production will the Ontario Wheat Marketing Board lose if they accept the guarantee from the federal government in its ultimate form? Will the Wheat Board still have the final decision as to when the sale is made, for how much and so on. How much authority will they have to surrender to the federal government if they accept the legislation?

• (12:40 p.m.)

A year or two ago the Ontario corn growers, as we know, ran into particular difficulty concerning a surplus. I wonder now whether

[Mr. Whelan.]

corn is included under coarse grains mentioned here. If not, it would appear to me there is reason to include corn in the specific commodities listed under this amendment. The other question I have concerns the 80 per cent advance on wheat. Where will this wheat be held? Will it be held by farmers in storage facilities as at present across Ontario or will there be a central elevator where it will be in position to be moved quickly? Will extra facilities be required in order to make this plan operate with the greatest degree of efficiency? I had intended to say something in respect of the handling of tobacco, but since we are dealing with wheat I shall leave that for another occasion. These are the questions on which I should like to hear the minister's comments. All in all, I believe this will be a useful amendment.

Mr. Olson: In answer to the first question, may I say that section 4 of the Agricultural Products Co-operative Marketing Act spells out the authority the minister, and indeed the Governor in Council, have from Parliament in arriving at an agreement or contract. While these amendments, if applied in their extreme, are pretty stringent, that is not the way it is done. We enter into an agreement with any marketing board concerning how the payments are to be made and in respect of many other things. We have this in the contract for the purpose of protecting the very large investment we make in the total of the initial payments from time to time. All this is negotiated with whatever board we are dealing with. As I pointed out on second reading, we have an agreement with one group in Quebec in respect of processing apples at the present time and with another group in Ontario concerning the initial payment on beans. Other schemes have been in effect from time to time, but at the present time there are no others in effect.

This amendment does not take away from producers their right to manage their own affairs. This right is set out in the contract and indeed in the negotiations. In advancing this sum of money, Parliament has instructed us to include the necessary precautions set out in section 4 of the Act.

In answer to the second question, corn is included because the definition of agricultural products means any kind of grain. Then, the exception is made in respect of wheat that is grown in the area defined by the Canadian Wheat Board Act. So, any kind of grain, including wheat, will be covered if this amendment is accepted, with the exception of

wheat that is now bought and sold under the Canadian Wheat Board Act. Under item 10 in the definition, there is reference to "any other product of agriculture designated by the Governor in Council". So, any grain is specifically included, other than wheat as defined, and any other product. Therefore, corn is included. What the corn producers would have to do is form some type of co-operative or marketing agency so that there would be a pool which would be administered by the farmers in respect of an initial payment and final payment. That could be agreed to.

So far as the place of assembly and so on is concerned, this could be written into the contract, but we would want the grain assembled where it would be in the most advantageous position to the producers in selling it.

Mr. Burton: Mr. Chairman, I should like to return to the point raised by the hon. member for Saskatoon-Biggar regarding the matter of oats and barley grown within the designated area as defined in the Canadian Wheat Board Act. The minister pointed out that under the present Act the definition of agricultural product includes any kind of grain, other than wheat. This, of course, as he pointed out excluded wheat in totality wherever grown in Canada. This proposed amendment would exclude only that wheat grown in the designated area as defined under the Canadian Wheat Board Act. It seems to me we must consider the implications of this proposed change as it applies to oats and barley. In order to do this, it would seem that we must go to the Canadian Wheat Board Act.

Under the definition in the Canadian Wheat Board Act grain includes wheat, oats, barley, rye, flaxseed and later rapeseed. Parts III and IV of the Canadian Wheat Board Act apply specifically to the marketing of wheat. Part V provides that the Governor in Council may, by regulation, extend the application of Part III and IV to oats or to barley or to both oats and barley. This, of course, gives the Governor in Council discretionary power to apply the Canadian Wheat Board Act to the marketing of oats and barley within the designated area in western Canada.

I would point out, however, that the proposed change in section 1 would define agricultural products to include any kind of grain, other than wheat grown in the area defined as the designated area by the Canadian Wheat Board Act. A specific reference is made to the Canadian Wheat Board Act. It seems to me this leads to some confusion concerning the marketing of oats and barley in western Canada in the future.

I do not quarrel with the statements of the minister or question them as such in terms of his motivation. I do not suggest that there is any desire to interfere with the present marketing arrangements with regard to oats and barley under the Canadian Wheat Board Act, but it seems to me this does open the door. It would appear that we should consider the implications involved. I admit quite freely that if a provision were included to just exclude oats and barley as well as wheat in the section before us, then if the present system for marketing oats and barley under the Canadian Wheat Board were ever withdrawn of course it would not be possible to provide for any plans under the Agricultural Products Co-operative Marketing Act to deal with oats and barley in western Canada as well. It seems to me, since the Canadian Wheat Board Act does provide specifically for the marketing of wheat in the designated area and also provides for the marketing of oats and barley where that is provided for by order in council, that we should give consideration to whether there should be a reference to oats and barley in this section as well.

This could possibly be provided in terms that would include a reference to the passage of an order in council or the order in council now in effect with regard to oats and barley. But it would seem to me this raises a question regarding this particular section especially since the exclusion provided by this proposed section refers only to wheat, whereas the Canadian Wheat Board Act deals with wheat, oats and barley. I believe this should be taken into account by the minister. I should like to hear his comments on my remarks.

• (12:50 p.m.)

Mr. Olson: May I say very briefly that I think the explanation I gave some time ago that this amendment does not open, or indeed close, any door to the use of this legislation for oats and barley applies in this case. It opens a door for wheat grown in Canada, other than in the designated area. That is all it does. I think the hon. member answered his own question when he drew to the attention of the committee that if we were to put oats and barley in here, even within the designated area, we would in fact be making this legislation more restrictive than it needs to be. We would then close the door on the use of the provisions of this Act for that kind of

grain any time in the future when the producers may want to use them. I do not think there is an indication of this desire at present, or in the future, but it does not seem to me there would be any value in amending this Act to make it more restrictive than it is now. That is all the comment I have.

Mr. Burton: I just wanted to say to the minister that it is not my suggestion to in any way make this Act more restrictive, but should consideration not be given to making its provisions consistent with the total picture as set out under the Canadian Wheat Board Act?

Mr. Olson: Both acts have been operating side by side since 1939, and when the Parliament of Canada and Canadian producers decided they wanted to include oats, barley and other grains, to have them added from time to time to the provisions of the Canadian Wheat Board Act, that was done. There has been no conflict between this Act and the Canadian Wheat Board Act. Therefore, I see no reason to make it more restrictive, and I am glad the hon. member agrees with me.

Mr. Danforth: Mr. Chairman, there are several aspects of this matter about which I am concerned, and I shall be asking the minister a number of questions for clarification. The wheat growers in our area are not all that satisfied with the action of the marketing board. I think that is chiefly because of the circumstances under which they are compelled to offer their crop for sale and the conditions under which they are in competition with many of the measures of our own government and our own grain marketing system in Canada. One of the things about which I am particularly concerned is the fact that under this new Act the Governor in Council or the minister, or both, in conjunction with negotiators from the board if one is set up, have the power to establish the initial price. The minister did not say that it had to be 80 per cent; he said that it could be 80 per cent. But it could in fact be 70 per cent, 60 per cent, or even 40 per cent in extreme cases. This decision would be left to the discretion of the negotiators on behalf of the producers and the government through the Minister of Agriculture.

This is just one more bit of regimentation so far as farmers are concerned because, under the terms of this Act, a marketing scheme would have to be evolved in the area where this wheat is grown. If it were ascertained by a vote that the majority of the growers wished such a scheme, there would be a requirement for all producers, under penalty, to sell their wheat through this particular channel, unless they were selling to a neighbour or under some other regulations. All the producers would have to take as an initial payment the negotiated price, which might be 40 per cent, 60 per cent or 80 per cent of the three previous years average. I am very concerned that this be clearly established and that there be no doubt in the minds of any of the producers when the marketing scheme is brought before them. We have had too many votes against marketing schemes in our particular area, perhaps because of a lack of a clear understanding by all the producers of what was involved. Perhaps there was not a clear understanding of all the advantages that there might be under a particular marketing scheme. On the other hand, there has been dissatisfaction with the operations of some of the marketing boards. I think the reason for this may also be a lack of clear understanding of the provisions that could be enforced before a particular marketing scheme is accepted.

Therefore, I wish to ask the minister whether, the next time the committee sits, he will define for us clearly, in a short form, the areas of responsibility of the provincial government and its marketing legislation, under which such a scheme would have to come into force, as against the jurisdiction of the federal government. I note the minister has indicated that some things could be written into a contract, but I would like to see this jurisdictional angle put in clear terms so that we might understand exactly the implications to the primary producers.

Mr. Olson: In the hope we will get the bill through by one o'clock, Mr. Chairman, I would like to give my explanation now. We do not impose any conditions on the Ontario Wheat Board unless they want us to guarantee the money. What they then do is to spell out in the contract the provisions that are required under section 4, so that that money is secure; they tell us in advance how it will come back. There is no regimentation on our part at all under this Act or under the amendment to the Act. The board comes before us and lays down their program for the guarantee of the money. Quite often they do not ask for 80 per cent. Under the apple processing agreement, during the last six or seven years, we have been asked for 35 per cent of the value of the finished product. I

want to make it clear that there is no regimentation or interference with the affairs of these people at all.

The other question that was asked was whether I could give an interpretation of the provincial legislation. I am sure the hon. member would not want me to even attempt to do that.

Mr. Danforth: I am not asking the minister to interpret provincial legislation. All I want is to have him draw a clear distinction between the two fields of responsibility. I am sorry to disappoint the minister but many of our members who are unable to be present in the House now have indicated their wish to ask the minister questions on this bill, and I, myself, have further questions.

Mr. Olson: May I ask the committee to rise and report progress, Mr. Chairman?

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.

Mr. Olson: Mr. Speaker, may I move the adjournment of this debate?

Mr. Deputy Speaker: We agreed to resume at the next sitting of the House. It being one o'clock, I do now leave the Chair until 2 p.m.

At one o'clock the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

GOVERNMENT ORDERS

INTERNATIONAL DEVELOPMENT RESEARCH CENTRE

PROVISION FOR ESTABLISHMENT

Hon. Mitchell Sharp (Secretary of State for External Affairs) moved that Bill C-12, to establish the International Development Research Centre of Canada, as reported (with amendments) from the Standing Committee on External Affairs and National Defence, be concurred in.

Motion agreed to.

Mr. Sharp moved that the bill be read the third time and do pass.

International Development Research Centre

Mr. R. N. Thompson (Red Deer): Mr. Speaker, at this stage in the progress of Bill C-12, which would establish the International Development Research Centre of Canada, having had a profitable session in committee, it is a privilege for me to make some remarks with regard to this forward looking and very essential legislation which I think can open, if it is developed and used properly, a new era for Canada in its international role.

I was a bit disturbed yesterday to read that the OECD, in their recent report, published the fact that Canada's position as it relates to the development assistance committee of the OECD was the last of 17 nations who make up that committee. These figures of course were not for 1969. They were for the year 1968 and therefore they do not represent the latest statistics concerning what Canada has been able to do in development assistance in the world. But nevertheless they are significant, in that, of the net flow of Canadian official and private resources to developing countries in 1968, was, the lowest in terms of percentage of national income of all the member countries of that committee.

I will not go into the various supplementary aspects of that because I do not want to take up the time of the House, but it points up the fact that we really are not yet doing what we should be doing so far as international development is concerned. Therefore, Mr. Speaker, it is my intention in commenting on this bill today to deal with the over-all aspects of the responsibility of Canada to the world so far as the less developed nations are concerned.

It seems to me that Canada, as a nation, has had great difficulty in searching for and finding a national image, at least in the conventional sense of national identity and sovereignty. In some respects this search for a national image has been a hopeless search, and there are several reasons why this has been true. First, the enormous size of the country and its own regional diversities have prevented a homogeneous national culture from developing. Second the English and the French and the multi-ethnic groups have tended to emphasize their differences rather than developing a unified front. In times of emergency, such as World War II and World War I, there has been an exception to this. I think it is correct to say that we really have not been able to acquire a sense of national identity or present a uniform national front in this nation as some other nations have.

International Development Research Centre

• (2:10 p.m.)

Third, and I think this is of very real importance to us, the sense of nationalism has become stronger in the world and the influence of our neighbour, the world's strongest, most affluent and dynamic nation, has infiltrated every aspect of Canadian life and thinking. As a result, we have failed to develop a sense of national autonomy and purpose. Perhaps we, ourselves, are least able to see this. Having travelled around the world a good bit, I have seen how others look at us. Their picture of Canada is clearer than our own, and clearer, particularly, than the image of those Canadians who examine themselves. Paradoxically, it is not so difficult for outsiders to examine our raison d'être and our particular characteristics or identity. Yet in this rather unorthodox situation a new strength was developing even before we were aware of it.

Hand in hand with this has come a new world concept of togetherness as communications and improved travel have brought the peoples of the world closer together. Barbara Ward has described the world as a global village. With this, nationalism, as it has been understood for centuries and up to Hitler's day, has become far too costly a luxury for the modern world. The only hope for mankind is to define new mechanisms less politically divisive in nature. I think that Canada, as a result of its experience in dealing with its own problems and the experience of people within it in living harmoniously together, is uniquely equipped to be a model for such a political instrumentality.

We are an ex-colony and, as most ex-colonies would like to be, are better equipped than the British, better equipped than the French and better equipped even than the United States to experiment and create more flexible forms of government which might bridge the differences between separate communities of peoples of widely divergent backgrounds and outlook. Likewise, it has become apparent that we might be able to lead the way in assisting with these global differences long before others have even comprehended the problems in devising new arrangements and organizations which will enhance the benefits of international integration. In reality, this adds up to Canada having a chance to become the world's first international nation and to move to the front of an emerging global order in the next century, instead of continuing to worry about our own failures to realize the more nationalistic goals of the last century.

[Mr. Thompson.]

I am convinced that the most practical means of accomplishing the goal I have referred to, at the beginning at least, will be in the area of development assistance or international development, if one wishes to call it that. May I clarify that statement? There are at least three aspects of foreign aid which could more properly be termed "international development". On the subject may I say this: first, the idea that international development is a form of charity must be rejected. There are definite reasons for this. So far as Canada is concerned, 60 per cent of all aid funds are spent in Canada; in the United States the figure is almost 90 per cent. Thus "aid" as such is a substantial subsidy to the domestic economy, giving jobs to Canadians and providing other benefits. Home benefits, therefore, automatically eliminate the word "foreign" from development assistance programs. Why do I say that, Mr. Speaker? I say it because the aid is mutual. Likewise, such programs are not "aid" either but represent investments in people and prosperity, and in peace and freedom.

There was a day when international relief could be called charity but such terminology has long outlived the true nature of development assistance because the emphasis has shifted from relief to recovery and to development. International development in its basic concept goes even farther; it becomes a partnership in an international joint venture to relieve human degradation and misery and to expand the world economy. Second, international development relates directly to trade. We cannot sell to an impoverished country simply because such a nation cannot buy or sell. A developing nation is a nation with a developing market and, together, the developing countries form a vast, potential market. They represent the new economic frontier of the future.

Then, too, the flow of capital to the developing areas of the world must be greatly increased. It is estimated that 85 per cent of the developing world's development effort is self-generated. The extra 15 per cent which is needed represents the crucial portion which must come from outside. Successful economic progress for these countries depends on outside capital. Without it they fail, and this has been true of Canada in the past and may be true of Canada at this time. The tragedy of the situation in which the rich nations become richer and the developing nations poorer is that, instead of development and growth, in these latter countries there is a retardation of economic growth and viability.

In recent years, the developed nations of the world have been growing richer by about $60 billion per year. The United States alone adds some $50 billion a year to its wealth, which is more than the total gross national product of all African countries put together. The flow of capital aid has in the last seven years increased from $6 billion to about $8 billion, but more than half of this comes back to the developed nations in the form of loan repayments and interest charges. Thus, the flow of capital aid is actually decreasing, because the rich are becoming richer and the poor poorer. It is, therefore, possible for the developed countries to increase their development assistance from their own growth rates without in any way endangering their present living standards and affluence. It is this concept which I am convinced, Mr. Speaker, must be more clearly understood; it is in this area that the International Development Research Centre of Canada can perform tremendous service.

At the past session of the United Nations, Canada moved a resolution which would provide for the total mobilization of public opinion on the subject of international development. This resolution, which received the assent of the United Nations General Assembly, is indicative of the need for a much greater effort than has been exerted in the past in our understanding of international development. We are not yet keeping up, in the giving of aid, with the expansion of our own economies.

Having said these things, Mr. Speaker, I state without equivocation that this is a good bill. I believe it will move us forward in the right direction and will meet a need in the area of international development to which I have referred. It will enable this country to assume a more effective leadership role in world development. Bill C-12 calls for the establishment of an institution which will be named the International Development Research Centre of Canada. It will be an independent, non-profit organization with an international character. The planned purpose of the centre will be to initiate, encourage, support, and undertake research into the problems involved in the development of the economically underdeveloped regions of the world. It will focus its attention particularly on the adaptation and application of scientific and technological knowledge to the needs of the peoples of those regions for social and economic development. It will also endeavour to assist these people to develop their own capabilities to solve the problems of economic underdevelopment which confront them.

• (2:20 p.m.)

It is expected that the centre will enlist, as the bill states, the talents of natural and social scientists and technologists, not only from Canada but from all over the world. As expressed in committee and in this debate, these activities will be directed to the identification of specific development problems and the use of multi-disciplinary techniques in devising practical solutions for them. I say, Mr. Speaker, this is the idealistic potential of this organization. Whether the organization moves in to accomplish those objectives will depend entirely upon the men who are given the responsibility, the president and the board, to give direction to the development centre. They can flub the ball and the centre will not make any great contribution, or they can take hold of it and use it as a vehicle to make Canada a real leader in this area of international development.

In spite of the fact our contribution may have gone down in 1968, was not nearly what it should have been in 1969 and it does not appear it will be what we would like it to be in 1970, this bill puts us in front of many other nations because of the vehicle that it will establish, provided that vehicle can be used. As I understand the bill, and as I see its potential, the Development Research Centre could become strictly a vehicle for research for our own academics and for the academics who may share in the operation and work of this research centre. If this is all it accomplishes, it will have gained only a very small portion of its potential. I believe the research conducted at this centre will have to be directed at the practical side of international development.

If some of the things I outlined in these three points are brought about, it will have to become much more than a research centre. It will have to give guidelines and direction to the over-all picture of international development, not only as it relates to the development that comes from this country, but also to the development which is planned by other countries. It is an interesting fact that a number of the middle power nations are paving the way. I believe they will give the greatest support to this research centre. I speak of the Scandinavian countries, Holland, West Germany and some other countries. As a middle power we have a very unique role,

to play to bring about the satisfactory integration that must be brought about in the economic development of the world.

I believe that this bill brings into being an institution that will keep its sights on the over-all perspective and will concentrate on the various areas of research that must have attention. At the same time, it must have as its basic goal the direction of that research and the outcome of that research into the fundamental and basic international development that the world today needs, not just the developed world but also the emerging world. When viable economies are developed in these countries, true international development will make them what we want them to be. I am very pleased to say that we give our support to the principle and over-all objective of this bill.

Mr. Andrew Brewin (Greenwood): Mr. Speaker, this bill, for the creation of an International Development Research Centre of Canada, was described by the hon. member for York South (Mr. Lewis) on second reading as being useful and imaginative. He said it should be of immense value. The bill has been considered by the committee and, therefore, I do not think it necessary to speak at great length on third reading in saying that we heartwarmingly support this particular bill.

I do want to express a few concerns about this bill. The first concern is that on the board of directors the so-called developing countries should be well represented. It seems important that the establishment of this institution be regarded as an opportunity for a partnership, not an offering from Canada. The purpose of the bill is not to directly help Canada or even Canada's reputation, but to make a real contribution to the scientific and technological aspects of international development. The more we can make it appear that this is not purely Canadian in content but is an endeavour by Canada to create a partnership in development, the stronger the bill will be.

Another concern I wish to express is that I feel a large proportion of the projects developed by the research centre should be either in developing countries or the member states who participate. The scientists and technologists who participate in the research should also remember the developing countries for the same reason as I suggested the management should be truly representative of developing countries.

The report of the Organization for Economic Co-operation and Development, which was referred to by the hon. member for Red Deer (Mr. Thompson), and the so-called Pearson Committee on international development have both made it clear that if a project is to be of real assistance to the developing countries it should be what is called labour incentive, that is it should provide employment to people in the developing countries. It is not good enough to set up some high-powered scientific development. It is necessary to engage the people of these countries in the project. I hope that the research that is undertaken will be directed to this very practical level.

Before coming into the House I was speaking with someone from Tanzania. He told me that two mills were set up in that country. One mill, built with the assistance of the French government, cost $10 million and the other, with assistance from the People's Republic of China cost $7 million. The mill costing $7 million provided employment for 3,000 Tanzanians. The $10 million project, which may have had much better machinery, provided employment for only 1,300 people. Which of the two is the better? I suggest that the better of the two is the mill which provided the most employment.

Although we commend this particular bill, I hope it will not be considered to be an offer and will not induce any self-complacency or self-satisfaction in Canada or in Parliament about the part that Canada is playing in this field of international development. I also saw the press statement this morning which was referred to by the hon. member for Red Deer. Although it is perfectly true that the figures are somewhat out of date, it is noted that Canada had the lowest percentage of all 17 member countries of the committee in relation to national income.

• (2:30 p.m.)

I think this is a deplorable figure. I do not believe it is in accordance with the wishes of the Canadian people and I am convinced that we are not moving quickly enough to get out of this situation. There seems to be an awful lot of hypocrisy talked on this subject of aid to developing nations. It seems to me that the richer countries are failing to provide even the proverbial half a loaf which is better than nothing. The standard of one per cent of the gross national product, or national income, has been set again and again while we still continue to give far short of that amount. If the people of the western world are serious

about trying to bridge the gap between the developed and the developing countries they will stop window-dressing and do what my party recommended at its national convention, that is, increase their expenditures on the war against poverty to two per cent of the gross national product. We must set new priorities. We in the western world are misspending our resources. We cannot have a framework within which our plans for peace and security will mature unless we do something effective in this generation, in this decade, to bridge this growing gap between the rich and the poor. We are not doing this job.

The bill we are now discussing is an excellent step. There must be a whole series of good individual steps. Let us not think that because we have taken this one step we have lived up to the responsibilities which rest on all the people of the western world to do infinitely more than has been done in this field in the past. With these few words, I repeat, we in this party welcome and endorse this bill and we wish the best of luck to those who will form the management and to those who will work under this international agency. We hope it will be a forerunner of many other similar imaginative schemes to deal with what we think is one of the major problems facing the world today.

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I do not intend to repeat at this stage of our consideration of this legislation the general arguments I developed on second reading, nor is it necessary for me to do so. It is clear from what has been said here today and from the discussions which took place in the standing committee to which the bill was referred, that the establishment of the centre is enthusiastically supported on all sides of the House.

I should like to thank the members who have taken part in the debate at the various stages for their support and to echo the words which have just been uttered by the hon. member who spoke on behalf of the New Democratic party—that this is only one step which must be taken if we are to discharge our responsibilities for the development of the less developed parts of the world.

My remarks on this occasion will relate particularly to the amendments proposed by the standing committee. Several clauses of the bill have been significantly altered. The international responsibilities of the Research Centre have been recognized by omitting reference to its location from the title. The outmoded term of the 'sixties, "economically underdeveloped" has been revised to read "developing", anticipating the thrust of the 'seventies.

The objects of the Centre have been expanded to allow for the very necessary role of co-ordination of international development research conducted both in Canada and elsewhere. The composition of the Board of Governors of the Research Centre has been altered in such a way as to ensure maximum representation from other countries, especially developing countries, without sacrificing Canadian control over policy and expenditures.

I have no quarrel with these amendments; indeed, I believe they are most valuable and that is why I was pleased to support them. I do, however, Mr. Speaker, wish to express my reservations with respect to clause 10(3). This subclause reads:

> One of the governors who is a Canadian citizen other than the Chairman and the Vice-chairman may be a Member of Parliament; he shall not be paid remuneration, but shall be eligible for expenses and shall not, by reason of his being the holder of the office or place in respect of which such expenses are payable, be rendered incapable of being elected, or of sitting or voting as a member of the House of Commons.

Now this is an innovation.

Mr. Fairweather: A progressive one.

Mr. Sharp: It may be progressive; I would not argue that for a moment. But it is an innovation, and it is therefore of some considerable importance that we should be approving an appointment to the board of an agency of government, of a Member of Parliament. I am not certain myself whether in fact this could not have been done in the absence of an amendment. But the amendment has made it clear that if a Member of Parliament is appointed to a board of the Centre, he does not thereby lose his seat in the House of Commons by accepting expenses from the Crown. I understand that those who support this addition to the bill have expressed the belief that a Member of Parliament could serve as a means of liaison between the Centre and Parliament.

I welcome this expression of interest in the working of the Centre and I share this desire to see that Parliament is kept informed of the important work to be carried out by the new institution. However, I do feel the proposal raises some major questions which can neither be ignored nor entirely settled here

today. I consider it my responsibility as a member of the government to raise certain fundamental questions and to express a view concerning the nature of the real relationship between Parliament and a government agency created by and, ultimately, answerable to Parliament. This question raises the subject of the responsibility and role of the minister and of the Member of Parliament. It is of such importance that it cannot be resolved by making an insertion to any one clause of a particular bill. If Parliament wants to adopt this practice it should examine its implications in detail and provide legislation and criteria which would be broadly applicable to all the relevant Crown-created institutions.

The role of the Member of Parliament on the Board of Governors is by no means clear and this uncertainty poses real difficulties for the M.P. himself, the Centre and the Government. It has been suggested that the Member of Parliament will be a channel of communication between the Centre and the Government and between the Centre and Parliament. Does this mean that the M.P. is, in fact, a full participant in the deliberations of the Board, sharing fully in its responsibilities while at the same time being the representative of Parliament responsible for informing Parliament on these activities? Is it to be left to his own judgment to decide what is confidential and what is not confidential?

• (2:40 p.m.)

If he has a right or perhaps even an implied obligation to report on all matters considered by the board, this will significantly impair his own relationship with other members of the board and have a profound effect on the content and quality of the discussions carried on at the board level. What would be his position if, on a particular question, he had registered his dissent at a board meeting? Would he feel obliged to indicate this in reporting on the matter to Parliament? If so, would the other members of the board be then obliged to justify publicly their positions on the matter? If he fails to disclose some matter to Parliament because he views it either as confidential or as unimportant, what will be his position with his parliamentary colleagues if the matter later comes to the attention of Parliament under controversial circumstances?

What is his relationship to the responsible minister and to what extent does he relate and report to him in respect of the centre's activities? Will the M.P.'s views expressed at meetings of the board be regarded as the views of the government, the views of Parliament, the views of his party, his own views or a mixture of all these? Will he be expected to carry back to the board the views or guidance of Parliament on particular questions in which they may become interested from time to time? To what extent would the M.P.'s role in this respect negate or conflict with the normal and very useful practice of having the president or chairman of the institution appear before a parliamentary committee when its estimates are being considered, or at such other times as the committee is taking a special interest in its affairs? Would the president or the chairman have the right to appear if they wished to question or elaborate on any of the information being provided to parliament by the M.P.?

Mr. Brewin: It sounds like a questionnaire.

Mr. Sharp: An hon. member says it is just like a questionnaire. It is the sort of questionnaire that ought to have been put before the members of the committee before the committee took a decision which seems to have such broad implications for the role of members of parliament.

Mr. Fairweather: There was plenty of notice of this amendment.

Mr. Sharp: There is no suggestion that these questions cannot be resolved satisfactorily, but they do raise issues which require a more extensive consideration and elaboration of the role of the Member of Parliament on the board than would be feasible to deal with in this particular bill without a great deal more consideration. Such consideration, as mentioned, could more properly be given to the question as a whole rather than to its unique application to this legislation.

Despite these reservations, Mr. Speaker, I decided not to oppose this amendment. Hon. members will recognize that the amendment in question is permissive; that the Governor in Council has the option of appointing or not appointing a Member of Parliament to the centre's board of directors. As the amendment would not, therefore, bind the hands of the goverment, I was prepared to accept it. I did, however, wish to take this occasion to outline my reservations on the general question of the role of a Member of Parliament appointed to the board of directors of a Crown corporation or agency. Then, if the government were to appoint a Member of Parliament, it would

be clearly on the record that his functions would have to be defined much more carefully than they are in this bill.

In closing, Mr. Speaker, I simply want to say once again that I believe this bill will create one of the most valuable institutions in Canada. I am confident this centre will make a very significant contribution to international development. It is another manifestation of this government's desire and determination to have Canada accept its full responsibilities as a member of the international community. Finally, Mr. Speaker, the International Development Research Centre represents this government's faith in the future, in the future of international development and the success which will flow from the sharing of ideas between the developed and developing members of the international development community.

Mr. R. Gordon L. Fairweather (Fundy-Royal): Mr. Speaker, it is extraordinary how ministers of the crown are frightened by Members of Parliament. Today we learned we had powers that I think most of us never realized we had.

First of all, I wish to say something about the amendment I proposed and which, I may say, had wide support from those sitting behind the minister who take a progressive view of the qualifications of parliamentarians and who play their full part in parliamentary activities, such as this centre and other institutions in which Members of Parliament and the state may engage. This amendment was given lots of notice. As a matter of fact, I was so anxious to get the principle accepted that I said I would be prepared to let any member on the government side take credit for it, if that is the term. I am grateful to those members who, in the non-partisan atmosphere in which this committee worked, wanted to go to the principle of the issue and accepted the amendment as a progressive, sensible move. We will hear a good deal more said about this, I hope, when other commissions are established.

I fail to see why a Member of Parliament should have to detach himself from the board because of membership in this House. He suddenly becomes persona non grata on the board. With great respect to the minister—and I have a good deal of respect for him—I thought his argument was laboured. If I may say so, I did not think it was wholly his own. He has been in this House a good length of time, and he knows that among the membership of the House there are people who might surprise him, who might be able to perform a fairly useful service.

In any event, this proposition is not such a daring proposal. There was an excellent precedent set in the United Kingdom with the Commissioners of Charity legislation. Heaven forbid that there be any other connection between the objects of this centre and the policy of the Commissioners of Charity, but this principle was adopted by these commissioners.

I think the hon. member for Cochrane (Mr. Stewart) has a private bill on the Order Paper that bears upon this matter. If the government were so excited about the latent dangers, then it might have arranged for that bill to go to committee so that we could have considered the entire issue. However, since I saw the bill was not moving anywhere, I felt that this would be an opportunity to establish a principle.

As I say, the amendment had wide support. The clerk of the committee told me the vote was 13 to 6. I feel rather badly that the minister makes his disclaimer of any merit in the proposal by accepting it because its terms are not mandatory, and anyway he had pretty well announced that he would not appoint a Member of Parliament.

Mr. Sharp: I did not say that.

Mr. Fairweather: Did the minister say that he did not say that?

Mr. Sharp: Mr. Speaker, just to clarify the position, I was making it quite clear that I did not think that if a Member of Parliament were appointed one should have him reporting to Parliament—one of the reasons for the amendment—without some further definition of his responsibilities and his rights. That is the point I made, and I am sure that the hon. member agrees with that.

• (2:50 p.m.)

Mr. Fairweather: I am glad that the minister has clarified his position. I think we are labouring a little over the word "report". I did not mean report in the parliamentary sense and never did mean that. Any member of the committee would have recognized that.

One of the distinguished commissioners on the Pearson commission, believe it or not, was a Conservative Member of Parliament, Sir Edward Boyle. As a matter of fact, he had a great deal to do with the impetus that was put into the setting up of the Pearson commission by the World Bank. Mind you, that

International Development Research Centre

was a commission of short duration, but I presume it was not such a dangerous thing in the parliamentary sense to have Sir Edward Boyle, both in a formal and informal way, being able to articulate some of the objectives, some of the issues and thinking that went into the final report. That is all I meant. I would like to parachute some of the very highly qualified Members of Parliament into the scene where very important actions are going to take place in the years ahead. We M.P's might surprise you, Mr. Speaker.

Mr. Baldwin: Good training for the cabinet.

Mr. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, as a member of the committee which studied this subject matter I had wanted to say a few words about the bill on second reading but was unable to do so. When this committee, or a sub-committee, was in New York at the United Nations we spoke to many experts and non-experts, to representatives of donor countries and recipient countries. Although this proposal was not on the Order Paper at that time we knew it was coming, so we put it to them and there was unanimous agreement that this kind of centre would be a useful and positive contribution. They pointed to the fact that there are too few research centres of this nature. There is the Rockefeller Foundation and some of the other foundations which have research centres on particular problems of international development, but there is a need for centres of this type to find means of using modern technology to help developing countries solve their problems. I think the minister has said that our foreign policy should reflect our internal policy and I think this is what we are trying to do in the formation of this centre.

In the Speech from the Throne and in the estimates tabled last week, we can see that this government is placing a great deal of emphasis on the war against poverty and underdevelopment, both at home and abroad. In this year of austerity very few of the budgets have gone up but it is notable that the budget for external aid has been increased by $15 million and that the budget for regional expansion, which is a similar type operation within Canada, has been increased by $75 million. In the same vein the budget for Indian and Eskimo affairs has been increased by $34 million. This is the thrust of the government to give priority to the problems of poverty both within Canada—

[Mr. Fairweather.]

Mr. Baldwin: Like the Indians in Saskatchewan.

Mr. Allmand: Yes, I am sure that it will apply not only to Saskatchewan but to other parts of the country. Mr. Speaker, it might help if some of the members opposite would take this subject seriously. I am trying to be serious about the matter. I said the government is increasing its budget to fight poverty at home and abroad. I did not intend to get into some kind of partisan debate this afternoon, but rather to put forward some positive points on this matter.

What is unfortunate in this situation, Mr. Speaker, is that even though budgets are being increased for development both at home and abroad, they are still not being increased enough. We are currently discussing a white paper on taxation in this country, and it is a bit sad that so many people are disturbed because they may have to pay $200 or $300 a year more when there is so much suffering and poverty throughout the world.

I should like to quote a few figures from a small Montreal newspaper called "Up to the Neck" which is the newspaper of a citizens' committee. It points out how we in Canada spend so much on what can be called fringe things. For example, it points out that Canadians spend approximately $200 million a year on dog and cat food; $400 million a year at race tracks; $1 billion per year on alcohol; $500 million per year on travel abroad. It does not have figures for the amounts we might spend on cigarettes which I think would come in the millions of dollars. Nor does it have figures for the second car or the second home. We spend in this way when so many people in many parts of the world hardly get one meal a day. So, Mr. Speaker, I fully support and encourage the government in the direction they are going and for increasing their budget on items such as external aid and internal development as well as this type of institution which they are setting up.

I might say that when the committee spoke to the experts in this field they pointed out that if we are really serious about helping developing countries, in the long run we will have to be prepared to trade with them. It is all very well to build the educational institutions, build the superstructure, help build their agricultural and industrial output, but having done that there comes a time when we have to be ready to trade with these countries. One of the greatest disappointments was the results of the UNCTAD conference and

the other conference dealing with international trade. Many of the countries who had stated they were interested in international development, and had already done a lot in that field, had not followed through when it came to trade aspects.

With respect to this bill, I want to emphasize one of the recommendations in the committee report, namely, that the first set of governors appointed to the institution must be first class. I am sure the minister will give that recommendation his very close attention. If this international development centre is to be a success we must assure that those people directing it have the purposes and the goals clearly in mind, and that they dedicate all their efforts to those problems. I should also like to support some of the suggestions made by members opposite that competent people from other countries should be appointed to serve on the board and to work with Canadians at the centre.

With respect to the recommendation that Members of Parliament be permitted to serve on the board, I support that as well. I think the minister supports it, too, but in his remarks I got the impression he was saying we must clearly establish what the responsibilities will be, and we certainly must do that. Not only do I feel that Members of Parliament should serve on boards such as this but I think they should be permitted to serve on boards, commissions, and Crown corporations. If we are to do our job well, we must be in close touch with the institutions and agencies that we have established. I feel there is a great need for us to be on these boards in some way or other.

Now, there are objectives and probably terms of reference to be worked out. I think the minister was saying, "Fine, let's do this but let's look at the whole problem and look at the terms of reference." I agree, but I do not want it to stop there. I hope we will go forward and that a Member of Parliament will be appointed to this particular agency. I hope we will work out terms of reference so that members can be appointed to other agencies.

Mr. Baldwin: It is nice that the minister has an interpreter.

Mr. Allmand: There are some very good members opposite who would probably do very well on that particular board. In this country whenever we take steps to increase our international development effort there are always people who say that charity should begin at home, and that we should not think of international development until we have solved the problems at home. Surely, we must work on both problems at the same time: we must work on development at home and poverty at home. But we must not stop there. We must do a lot of work abroad because if we do not, peace will not be with us much longer.

• (3:00 p.m.)

There cannot be stability in the world as long as there are vast differences between the rich and the poor as there are now. This situation is growing worse all the time. When I referred to the figures in this year's estimates, I pointed out that we are increasing the external aid budget by $15 million, the regional economic development budget by $75 million and the budget in respect of the Eskimo and Indian people by $34 million. We are putting a much greater effort into internal development than we are into external development. I think we are trying to bring along both together. I emphasize that the only way to achieve peace and stability is by the cooperation of all men throughout the world so that we can all develop together.

Mr. Deputy Speaker: The hon. member for Esquimalt-Saanich (Mr. Anderson).

An hon. Member: Filibuster.

Mr. David Anderson (Esquimalt-Saanich): Mr. Speaker, if hon. gentlemen on the other side would interrupt less we might get on. I am probably the only member in this House who has ever administered a Canadian aid program abroad, and would like to say a few words.

Some hon. Members: Oh, oh!

Mr. Anderson: I am delighted that the hon. member for Fundy-Royal (Mr. Fairweather) as well as his colleagues see the value of my saying a word or two. In any event, I am rising only briefly to commend this bill to the House and to point out that research, in my opinion, is almost more fundamental at this point of time than aid itself. I think the reason should be clear to all members. Any economic assistance Canada can provide is necessary. However, we must also realize that the Canadian public forgo many things such as regional development, transportation services, etc., which should be taken care of in Canada, when we spend money on external aid. As

politicians we know that aid abroad is not always popular, although this does not mean it is not good. But aid is sometimes misused.

I have seen instances where a certain form of aid has been given in areas which cannot use that particular type of economic assistance. If we are to continue to have public funds devoted to a Canada aid program, it is important that we make sure the programs we undertake are of the type which will produce results. I think we must discard the idea that if sufficient money is expended abroad, this will somehow take care of development, despite adverse social or other conditions. Research, Mr. Speaker, is vital in this area. Economic development is not a simple thing.

Turning from that point, I should like to say a few words on the amendment of the hon. member for Fundy-Royal which I supported in the committee and support in the House. There is no doubt that the minister put his finger on many potential problems; but as the hon. member for Fundy-Royal mentioned, it is important that Members of Parliament no longer be considered as second-class citizens but, rather, as being eligible for positions on boards and commissions such as this despite being Members of Parliament. I find it most gratifying that he has adopted a forward-looking approach to the role of Members of Parliament and, indeed, the role of Parliament itself.

This is in contrast with the view of the hon. member for Prince Albert (Mr. Diefenbaker) and other members of the opposition who in my opinion have a negative view in respect of the role of Parliament and of Members of Parliament. I therefore believe this amendment is a good one and I am delighted that there are in that party progressive as well as "Conservative" members.

Mr. Knowles (Winnipeg North Centre): What about the word "Liberal" in respect of members on that side?

Mr. Anderson: I congratulate the hon. member for Fundy-Royal for being among the former and not the latter category which I mentioned. My final point is that there was provision in the original bill that the headquarters of this research centre be in Ottawa. I think the decision of the committee to strike out this provision was a very wise one. There is an unhealthy concentration of head offices in Ottawa, simply because of convenience to other civil servants and also, let us be fair, convenience to Members of Parliament. It may be that this research centre should have its headquarters in Ottawa, but the committee, in striking out that provision in the bill, made it clear that it should be established where it would be best, rather than simply being established in Ottawa because it would be convenient to civil servants and ourselves. I hope I have not tried the patience of hon. members too much. I shall resume my seat at this point.

[*Translation*]

Mr. Georges-C. Lachance (Lafontaine): Mr. Speaker, even if I did not want to be brief, I would have to be because the hon. members who preceded me dealt with precisely what I intended to discuss.

I was a member of the committee when this bill was studied and I approved it. I also approved very willingly the amendment of the hon. member for Fundy-Royal (Mr. Fairweather), but after hearing the speech of the minister I should like to make a suggestion.

The hon. member asked countless questions, doubtless to make up for the lack of opportunity to ask questions in the House. I feel, however, that it would be indicated for the rights and duties of hon. members to be defined, and for the government to bring in a motion in the near future referring the matter to the Committee on Procedure and Organization, that a report might be made on the matter. I am sure that as soon as that report is received, the government will see to it that an hon. member sits on this board, as well as on any other body on which it would be well for hon. members to be represented, especially at the international level. To my mind, this bill cannot lead to any political conflict.

I feel that it is with such organizations that hon. members have a chance to prove themselves. I am not saying that a member should be appointed just because he is a member, but only if he can work efficiently.

The hon. member for Esquimalt-Saanich (Mr. Anderson) participated in foreign aid programs in the past. Doubtless he would be much more qualified than I, who have never participated in that type of program, to be a member of that board.

That is what I intended to say. I am happy to see this bill will soon receive royal assent.

[*English*]

Motion agreed to and bill read the third time and passed.

HOUSE OF COMMONS

BROADCASTING OF DEBATES BY RADIO AND TELEVISION

The House resumed from Monday, February 16, consideration of the motion of Mr. Macdonald (Rosedale):

That the Standing Committee on Procedure and Organization, in consultation with Mr. Speaker, be directed to study the question of radio and television broadcasting of the proceedings of the House and its Committees, including the legal, procedural, and technical aspects thereof, and the question of arrangements made for reporters for the electronic media in the Parliament buildings.

Mr. Paul St. Pierre (Coast Chilcotin): Mr. Speaker, this afternoon the House has really been filled with great sweetness and light. I am sorry I cannot contribute further to that atmosphere; some of the things I will have to say today may be a little unpleasant. I shall say them, however, because like other members of the House I am very concerned about any changes we might make in this regard.

• (3:10 p.m.)

I do not want this motion to pass without registering some of my very grave reservations about it. Naturally, I support the move to send this motion to committee for study. I support the study without reservation, but I hope that the members of the committee will think very long and hard. I hope they will examine very carefully what the results of experiments such as is suggested in the motion have been in other countries.

In fact, if I were moving an amendment to this motion—which I am not—it might be something in the nature of the instructions of the city state of Hamburg when they sent their troops to join Blücher in the battle of Waterloo. They were very reluctant to engage, and the orders to the Hamburg troops were to march to join Blücher but to do so very slowly. I think that we should move very slowly in any move to bring television into this chamber. I fear that it could do irreparable harm to the House of Commons.

The purpose of the motion to bring television into the House is laudable and the hon. member for Winnipeg North Centre (Mr. Knowles) has expressed it very well. It seeks to increase the citizens' understanding of their government. But I say to members of this House that the result could be the opposite: instead of making the operations of the Canadian government more clear to the citizens, we could be directing the citizens to see this chamber through a glass darkly.

An hon. Member: It is happening now.

Mr. St. Pierre: I quite agree that there is insufficient knowledge among the people generally of the operation of this House and the operation of the government—as well as a considerable lack of knowledge of the operation of bureaucracy, I might add. But if we are to seek new ways to present ourselves honestly, as we believe ourselves to be, to the Canadian people, let us be very leery of the instrument of television. A man may need glasses to read, as I do, but it does not help much to hand him a piece of a broken Coke bottle as a substitute.

I would like to assure hon. members through you, Mr. Speaker, that my mind is not closed on the matter and I would certainly hope that the minds of hon. members of this House are not closed on it. But I have reservations. I may say that I only speak about one aspect of the motion. I know it deals with many other considerations, such as the facilities for television and radio in the House and its committees, and other matters connected with that, but I am confining myself to the proposal that television be brought into the House of Commons. The hon. member for Crowfoot (Mr. Horner) expressed many of my reservations in a recent speech in the House when he gave one of those mild, persuasive, whispering addresses of his! I agree with a great deal of what he said.

I might continue by discussing the more technical aspects of this proposal. I do not claim expertise, but I had an association of about 10 or 15 years with the television industry and I have been in the newspaper business all my working life. So perhaps I could give some fresh throughts to hon. members regarding television coverage. Of course, we know that the ideal is physically impossible. Perhaps the ideal is that a single, fixed camera be directed at this chamber from the moment it opens at 11 a.m., or 2 p.m. as the case may be, until it closes at 10.30 p.m. or whenever it may be. The camera would make no selection and our proceedings would be broadcast to every home in Canada for every minute that Parliament sits.

Not one member of this House considers this to be a practical possibility, financially or otherwise. Since it cannot be done, any reporting of this House by the medium of television must be subject to editing. All editing has bias—and I use that word advisedly. Some hon. members may think that I am speaking of political bias. Political bias exists, but I think it might be one of the least of our

fears in this case. The greater danger lies in the act of editing, of selecting a certain portion and saying it shall be used, and rejecting another portion and saying it shall not be used. Such selection demonstrates bias.

There are many ways in which bias might be exercised in reporting the proceedings of this chamber. One of the standard biases which has served most newspapers pretty well for generations is that of news interest. Mind you, the interpretation of what is news is difficult. The interpretation of what is news interest is debated among newspapermen now just as it was 25 years ago when I first began to report. But it is perhaps as good a bias as has been found, and the papers which adhere most closely to news interest are apt to be among the most fair.

However, let me remind hon. members through you, Mr. Speaker, that nothing would have quite as much news interest in this House as an hon. member coming into the chamber in clown costume, on a pogo stick, down the centre aisle. Some degree of this, if news interest be the bias by which selection is made as to which debates will be televised, will be impressed upon this House: there will be an impulse for hon. members, if not to jump on pogo sticks at least to be sometimes colourful at the expense of being sensible.

There are other biases which may exist. There is even a sort of negative bias which could be introduced. There could be a rigid division of the television time apportioned to each party according to membership or any other formula which might be devised. This in itself is artificial and will not serve our purpose, because the fact is that in a debate one member of any party in this House may contribute far more than all other speakers. Mr. Speaker, can you conceive of a group of politicians in this House becoming television news editors, meeting once a day to look at film clips and deciding, each from personal bias, his party's bias or a combination of the two, which portion of our proceedings shall be shown to the Canadian people? I suggest that this would be ludicrous. If we do not do this, who shall be the editor, who shall apply the bias? It must be the people in the television industry. Is the House prepared to give them this power?

Mr. Benjamin: They have it now.

Mr. St. Pierre: It may be said that they have it now. Are we prepared to increase it by bringing television cameras into this chamber? My mind is not closed on the matter. This proposal may be wise, but I have no doubt in my mind that it would be extremely dangerous.

There is another point which I might bring to the attention of hon. members. The hon. member for Winnipeg North Centre brought this out in his remarks. He said that, after all, we have had the press in both Houses of Parliament for generations. We have learned to live with it passably well. I would admit, further, that when I speak of the bias necessary in any form of editing, any form of selectivity—bias with the best will in the world, but nevertheless bias—this applies also to writing and editing, to everything we do. Every work of art is also a creation of bias. But there is a considerable difference between the situation of the newspapers and that of television. Effectively, there are two television organizations in Canada. The people of the press gallery, as we know, number in scores and indeed hundreds.

• (3:20 p.m.)

Finally, Mr. Speaker, I do not want to anticipate the studies that I hope this committee will make or go into technical details in the House, but I would like to draw just one or two matters to the attention of the House. Television—perhaps I should borrow the words of Marshall McLuhan—can be described as "the medium is the message." Television distorts of itself. The camera is a form of distortion. One of the simplest methods used—it is used frequently in drama productions, and if hon. members have not noticed it they might notice it the next time they are watching television—is the close-up. Creating a close-up attains drama. The person involved might not be doing anything more than lighting a cigarette or scratching your ear, but the physical enlargement of a face on the screen is a creation of drama and your adrenal glands react to it. This is technical editorial comment by the camera, the machine.

I will not take up any more time of the House in this respect because, as I say, I very much hope that the committee will study this question very thoroughly. I would like to leave the House with one thought. I would like hon. members to reflect on the career of Senator Joseph McCarthy of the United States, who terrorized the intellectual community of that nation in the fifties and left scars in the United States which have not healed to this day. In the opinion of many people, McCarthyism was a creation of the medium of television. I think we must keep our minds open on this subject, but I urge

hon. members to keep their minds very active. I thank hon. members for their courteous attention.

Mr. David MacDonald (Egmont): Mr. Speaker, I am not going to say, as is so often said in this House, that I had not planned to speak on this issue; but if I were going to say it, I would have to say that was in fact the truth of the matter. In regard to the previous speaker, who in some way, shape or form, has been connected with one aspect of the mass media over a long period, I think he has failed to understand the relationship of the mass media to the public. His last analogy with reference to McCarthyism in the fifties suggested that indeed the spectre of McCarthyism was created by television. But there is a very large body of thought that suggests—I think quite rightly—that indeed McCarthyism was effectively destroyed because of the Senator's exposure on the television screen.

One of the difficulties that has plagued this debate, not only that of recent days but the general debate that has gone on for the last few years with regard to broadcasting the proceedings of this House and its committees, has been a confusion of two issues. One is the essential issue of whether it is in the public interest to have television coverage of this House and its committees. The other is the question of editorial bias. If we are to have a useful discussion of this question, we must in the first instance separate these two issues.

It is rather strange for any member to get up in this House and talk about the acknowledged bias that will exist in the editorial decisions that will have to be made with regard to broadcasting the proceedings of this House and its committees, and at the same time accept what has been accepted ever since reporters were first allowed into the press gallery. I refer to the acknowledged bias that exists in that medium, not only from the standpoint of the individual perspective of the individual reporter but as between his report and its final production, whether that bias be in the pen wielded at the editor's desk or elsewhere.

As a matter of fact, a certain amount of mechanical bias may exist with regard to the amount of material and the specific material that is eventually used and produced. It is a bit of a bogeyman to talk about bias with respect to some aspects of the mass media and to brush aside the important bias that quite naturally exists throughout all the other mass media. I would not like to suggest that the bias that exists—

Mr. St. Pierre: On a point of order, Mr. Speaker, in the interests of accuracy the hon. member should not say that I brushed aside any bias as being unimportant.

Mr. MacDonald (Egmont): Mr. Speaker, the hon. member should not take himself too seriously. I was not referring only to his remarks and the general tenor of them, but to the general tenor of remarks made in the House when this question has been debated on a number of occasions.

I am not concerned so much about the bias because I think in many ways bias, as such, is very often eliminated because of counter-bias. What concerns me even more than bias, if I can call it such, is the general quality that exists with regard to reporting. I do not think it is fair to suggest that the quality of reporting is entirely the responsibility of those who are in effect the reporters, because in some measure people get the quality of reporting they in fact deserve, or that they seek. However, I do not think these questions are really relevant to the debate on this particular subject, which is the referral of this motion to a committee. I think we are faced with a fairly essential question. It is whether or not the largest amount of information possible will be given to the Canadian people about the issues of the day, affecting their lives, that are being discussed by their representatives whether in this House or in a committee of the House.

I find it passing strange that any Member of Parliament, realizing that he is here as a representative of individuals in his constituency and really as a national representative in this forum, should think it part of his duty to block in any way or limit the amount of useful information that the people of Canada will be able to receive, whether it is in print or is heard through radio transmission and television.

We seem to assume in this debate that somehow or other by deciding, whether in a committee or in the whole House, for or against the full coverage of this House and its committees, there will be no televising of what public figures and politicians are doing. Of course, this is just not true. The major issues reported on every national newscast concern very largely what government members and other Members of Parliament are doing on behalf of the people. But what is

creating serious difficulty today is that the people are getting this information on a second-hand and often on a third-hand basis.

We should be much more concerned about the fact that there is a kind of capricious coverage now of what public people are doing, because of the kind of ad hoc arrangements made for television and radio reporting whether it is in a room down the hallway, standing out in the foyer, or some such arrangement which is not nearly as useful and not nearly as accurate as the kind of direct exchange which is on the record and takes place in the forum—where people are responsible, or presumed to be so—and our committees.

I think it is shocking that Members of Parliament on all sides of the House are not calling at the earliest possible moment for the kind of access for television that is needed in this House and its committees. I know that Members of Parliament would be upset, to say the least, if it were seriously proposed that we should exclude the press from the gallery, because we know that the interaction of the reporting by the press from the gallery is a very important part of the political process and the decision-making that is taking place in this country.

An hon. Member: But not necessarily desirable.

Mr. MacDonald (Egmont): An hon. member suggests that it is not necessarily desirable, but I do not think democracy would last very long if the press were not allowed coverage of this House and its committees. There is a further issue that needs to be thoroughly explored. Anyone who has looked thoughtfully at the importance of the discussions that take place in this House, and their relevance to the issues as perceived by the people of this country, realizes that there has been a steady erosion of the usefulness and importance of discussions that take place in the House of Commons and in its committees.

• (3:30 p.m.)

We in the opposition have been critical of the way Parliament has been bypassed more and more by the government or agencies of government which makes it appear that Parliament is nothing more than a weak echo or rubber stamp of government activity. I think one reason this has occurred so easily during the past few years is that the two major instruments which inform people day by day about happenings in this forum have not been able to report our proceedings adequately.

[Mr. MacDonald (Egmont).]

I believe that not until we extend the privilege now extended to those employed by the print media to those working for television and radio shall we see a decline in thinking which holds that what goes on in this forum is irrelevant. I think it behooves all Members of Parliament to remember that it is in the best interests of the parliamentary process to give this kind of access to radio and television at the earliest possible date.

There is no need to spend much time on the technical problems of special lighting, cameras and microphones. Many forums have been adequately and effectively covered by all the mass media and there has been no loss in usefulness of the discussions. I think the technical argument is merely another red herring drawn across our path, because I do not consider that question as being at all important.

There is another factor which is important to this discussion. In recent months the government has become concerned about the amount of information on governmental activity being conveyed to the people. Not too many days ago the Prime Minister (Mr. Trudeau) announced the setting up of Information Canada which will attempt to co-ordinate in an effective way information relating to the government. One could argue, I suggest, that the totality of such information, which is one-sided, might make any decision difficult unless at the same time there is access on the part of the public to the parliamentary process. Unless we as parliamentarians are willing to tolerate radio and television coverage of the chamber and committees, we may discover to our sorrow that although the people may be better informed as to the position the government takes on various issues, a full discussion of any related issue might be disconnected, entirely lost or even suppressed.

There has been a further development in our parliamentary system which lends itself most usefully to coverage by radio and television media. During the past few years greater and greater demands have been made to develop the role of parliamentary committees as centres for more extensive and thoughtful discussion of major issues being considered. Although we may not expect to see either House or committee proceedings covered regularly by the media, there may be issues which present themselves from time to time which I believe can be covered effectively through the use of radio and television.

We have found by experience that this thinking has applied to the constitutional con-

ferences of the past two years. Those who have recently suggested that the constitutional conferences foundered because of their exposure on radio and television are, I think, looking at the wrong area for the reasons for any failures in recent conferences. It has not been the media that has hurt the conferences it has been those who have participated in them.

Parliamentary committees will deal with various issues, perhaps even with the constitutional issue, which will be excellent for coverage by radio and television. Such matters are covered by the media of other countries. Consider, for instance, the tremendous importance to the people of the United States of the kind of extended coverage they have received in recent years of the Foreign Affairs Committee of the United States Senate. If we have any faith in the future of the parliamentary system, in its relevance to the Canadian way of life and its effectiveness in dealing fairly, justly and adequately with issues confronting this nation, we will not object to giving all forms of mass media access to this forum.

I think we must move on this matter very quickly. I know there are Members of Parliament who for one reason or another have feelings of fear or anxiety about changes the media might bring about. I think they will bring about a change for the good. I hope the members of the committee empowered to deal with the question will decide very shortly that we at least ought to undertake an experiment—I mean a full experiment involving both the House and committees—and permit the broadcasting and televising of our proceedings so that the unnecessary fears which have been created in the minds of some hon. members may be set at rest.

Varying experiences will arise from our participation in this new contact with the Canadian people, some of which may not be too pleasant for us. After all, we have been used to operating in a certain way. I also believe that this is the way in which we must change, and in changing give the Canadian people a more effective parliamentary system. I think that is what we are here to do, and I believe that the wider exposure of this institution as a result of coverage by the media will help us to achieve that end.

Mr. J. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I suppose the minimal kind of support one can give to the principle involved here is to say that it ought to be considered by the committee. Any reservations that are expressed ought not to be about the motion now before us, but about the principle of maximizing the opportunity for the Canadian public to observe our process of democratic decision-making. This really is the central principle we are discussing.

I, for one, am unequivocally a supporter of the notion that we, as Members of Parliament, should do everything we can to give the population of Canada a chance of seeing, hearing and reading about our decision-making process. Of course, there are problems involving bias and human foolishness which must be considered. No institution involving human beings will be without problems of this sort.

One could talk for a long time about bias in reporting, misinterpretation in reporting and misreporting of proceedings. Perhaps the only way to resolve these problems is to decree that those reporting the news shall be approved by the government of the day. That, of course, is absurd and antithetic of our democratic process.

I submit that the people of the country should have a maximum opportunity to get some idea of what is going on in this place, even on a Friday afternoon such as this. On balance, it seems to me that televising our proceedings will strengthen the opposition or, more correctly, increase the impact the opposition has on the Canadian public. That might be a better way of putting it. It will either do that or improve the quality of the government. Conceivably, it might do both. For example, after directing to the government a question that calls for an intelligent or reasonable response, we might obtain an answer instead of a shrug of the shoulders.

• (3:40 p.m.)

When the Prime Minister (Mr. Trudeau) is asked what he is doing about our fine, noble, distinguished ally the government of Greece, and what that government is doing for freedom in that country, it may just be that a fine democrat like our Prime Minister will not get by with the answer, "Well, we are doing all we can, but really I refer the hon. member to the answer given by the Secretary of State for External Affairs a few days ago." If you look up that answer, you find that the minister was referring to something else. The upshot is no answer at all, and the perpetual restriction of freedom for the people of Greece. If our proceedings were televised it would at least be brought home to the democrats of our country that the Prime Minister

takes this stand. Similarly, the Minister of Manpower and Immigration (Mr. MacEachen)—

Mr. Pepin: May I ask what the hon. gentleman would do with respect to the government of Greece?

Mr. Broadbent: I am delighted to reply. The Minister of Industry, Trade and Commerce (Mr. Pepin) has asked what should be done about the government of Greece.

An hon. Member: What would you do?

Mr. Broadbent: There is another interjection by a member on the government side. I think the answer is pretty clear. What should be done is what was done in the Council of Europe, if I may say so, at the initiative of the social democratic parties of Great Britain, Scandinavia and West Germany. Pressure was brought to bear on the Council of Europe to get the Greeks expelled. At the very last moment, because they were confronted with this pressure, the government of Greece withdrew from the Council of Europe. If NATO is to be a defender of democracy, which it is supposed to be, the same kind of pressure should be brought to bear on the government of Greece.

The Acting Speaker (Mr. Béchard): The hon. Minister of Industry, Trade and Commerce (Mr. Pepin). I hope the question will not be on external affairs.

Mr. Pepin: I am just curious, Mr. Speaker. What was the effect of that move, on the situation of the Greek government?

The Acting Speaker (Mr. Béchard): Order. I think we are getting a little far from the motion before the House.

Mr. Broadbent: I would have been delighted to carry on this exchange of views. I was about to shift ground from the Prime Minister and say that in addition to perhaps getting more meaningful and frank answers from him, we might get direct answers from the Minister of Industry, Trade and Commerce when talking about the effects of change in the auto pact, for example. When the Secretary of State for External Affairs (Mr. Sharp) is asked questions about Canadian sovereignty—this is just a suspicion, because it is hard to tell with that gentleman—he would probably be a little less ambiguous in his answers to the House if he knew that the television cameras were focused on him. I am not trying to be facetious.

[Mr. Broadbent.]

I think this would be a good move, even with all the possibilities of distortions. I do not think they are very significant in terms of what the total effect will provide to the people of Canada. I refer to the greater opportunities for Canadians to see what is happening in the House of Commons. This is why television and radio should be introduced in this chamber. I support not only the idea of the committee studying this question, but I feel an affirmative decision should be reached by the committee after very careful consideration about the best and most equitable way of introducing these forms of news media into this House.

[*Translation*]

Mr. C. A. Gauthier (Roberval): Mr. Speaker, I should like to say a few words about the motion now under study and which reads as follows:

> That the Standing Committee on Procedure and Organization, in consultation with Mr. Speaker, be directed to study the question of radio and television broadcasting of the proceedings of the House—

I have no objection against a study or that subject because, in itself, a study is always worthwhile. But I think this one will be very difficult because the Speaker will be saddled with the responsibility of recognizing those who will be entitled to take the floor and showing fairness towards all members. Should the decision be affirmative, I believe that all debates in the House should be televised in order to avoid discrimination. Cameramen should not have the discretion to decide who will appear on the T.V. screen. Under certain circumstances, the choice of pictures will be left to the cameraman.

Today, television newscasters present to the public only what they like and it is not always what the public would like to know. For instance, last night, I was watching the 11 o'clock news. Everybody knew that yesterday was an opposition day and that my colleague for Bellechasse (Mr. Lambert) had introduced the farmers' petition. But on the news broadcast, it was merely mentioned that he had introduced the petition. Immediately, after that, the cameraman showed members of the Liberal caucus, thus giving the impression that government members had done all the work.

I think that this should be avoided, if we ever decide to introduce permanent television in the House, because I think that information is one-sided.

The Company of Young Canadians established by the government has been altered

and given a new direction, in order that its members proclaim throughout Canada the benfits derived from the present government. Then, Information Canada was created and its 150 publicists will again be appointed by the government to glorify it throughout the country. If television is left without guidance, it will be the third step of that campaign among the people to make information one-sided.

I have taken the floor in order to show that even if we do not do it very often and do not criticize the government every day, this does not prevent us from seeing what goes on, and I am sure that the people are aware of it also.

If we sink additional millions to realize that project, after all the money spent already to support the government's propaganda agencies, and to allow the TV cameramen to point their lens on government members, while neglecting the other members, there will be discrimination.

So I submit that the study group should be made up of responsible people. I do not envy their task, for it will be difficult and thankless. However, in case this decision is made, may I ask, on behalf of the whole population, that care be taken to insure objective and equitable information in respect of all parties, so that people can witness actual differences in thinking and acting among the parties.

Mr. Speaker, I do not want to be too long. I simply wish to draw attention to the fact that we are in favour of the proposed study. And when I see the name of Mr. Speaker on the list of the members of the committee, I feel confident, and I am sure that the committee decisions will be wise, in the interest of the population and of Parliament, so that all parties and all members will be treated fairly in Parliament.

• (3:50 p.m.)

[*English*]

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, I do not rise to take issue with either side in arriving at a premature decision as to whether proceedings in this chamber should be subjected to continuous or partial coverage by radio and television news media. Having said this, I think it will happen and I do not fear it. However, until the measure has been thoroughly looked into by the committee I share the view of the last speaker. I, too, would have confidence in any final recommendation made by this committee, having regard to the distinguished chairmanship which is proposed.

Broadcasting of House of Commons Debates

There are one or two observations I should like to make. The first is perhaps somewhat facetious. I have friends in the broadcasting industry—and for those who are interested, Mr. Findlay Macdonald is dead! I saw him shot by Mr. Juneau a few days ago when he laid down Canadian content for our television screens. Any positive decision by the committee under the chairmanship of the Speaker may very well—

An hon. Member: Mr. Speaker will not be the chairman.

Mr. Forrestall: Is it not Mr. Speaker who is to be chairman of this committee?

Mr. Knowles (Winnipeg North Centre): I think the motion says the committee shall do this in consultation with him. Even that is good.

Mr. Forrestall: I am sure it is, and I am sure Mr. Speaker will continue to take an interest in this matter. My point is this: I am sure the Canadian television industry would find all the opportunity it needs to raise Canadian content to the required level. As for the long summer recess, there will be some of us around when Parliament is not sitting.

Mr. Nowlan: They want quality, not quantity.

Mr. Forrestall: They can make a selection in the summer months and find sufficient quality among the 264 of us to maintain the quality. There is another feature which I think enters into the question of the entry of television and radio to the House of Commons. It is the tremendous benefit this would be to educational television. Already considerable thought is being given to this question by the universities of Canada.

If what they are after is the proper exposure of Canadian problems as they arise from time to time in this forum—no one suggests that television or radio would replace the printed word, the printed record or any of the other interpretive methods of covering the news—for the fullest awareness and understanding of all these issues there is nothing better than the opportunity to watch, on a continuous basis, the total process of dealing with the dilemmas which we face from time to time or, indeed, of the over-all and general conduct of the business of the nation.

I think that once they have taken an exhaustive look at the potential of this idea, the universities will endorse it. Already some spokesmen from the university complexes are

beginning to write in our educational journals suggesting to their colleagues the benefits which could accrue to students and academics from a continuous record of the procedures of this chamber. If I were to express a personal viewpoint, it would be to suggest that the way to the full televising and broadcasting of the affairs of this chamber would be through the committee stage. In recent years more and more of the detailed work of this House has been done in committee. If we find in committees a balance and a check against the intentions of the Prime Minister to change substantially the instrument which is our government and this institution, we must do everything to strengthen the committees system. I believe in its validity as a balance, as a force to check uncontrollable powers which perhaps because of the nature, size and complexity of business today seem to find themselves more and more in the hands of a single individual.

Mr. Speaker, may I call it four o'clock?

MESSAGE FROM THE SENATE

The Acting Speaker (Mr. Béchard): I have the honour to inform the House that a message has been received from the Senate informing this House that the Senate has passed Bill S-14, respecting the Sale and Importation of Certain Radiation Emitting Devices, to which the concurrence of this House is desired.

It being four 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 and private bills.

PRIVATE MEMBERS' MOTIONS

COMMITTEES OF THE HOUSE

PROPOSAL TO ESTABLISH SPECIAL COMMITTEE ON POLLUTION

Mr. David Anderson (Esquimalt-Saanich) moved:

That a special committee of the House of Commons composed of not more than 15 members, to be later designated by the House, be established to investigate generally the problem of pollution in the waters, soil and air of Canada, and the plans of the federal government in relation thereto, with powers to report from time to time its observations, opinion and recommendations thereon.

Motion agreed to.

[Mr. Forrestall.]

• (4:00 p.m.)

Mr. McGrath: Mr. Speaker, I rise on a point of order. Before you call the next motion may I say to hon. members opposite that we expect them to reciprocate when one of our motions comes before the House during private members' hour.

TOURISM

FEDERAL—PROVINCIAL CO-OPERATION IN ESTABLISHING POLICY FOR TRAVEL INDUSTRY

Mr. Charles H. Thomas (Moncton) moved:

That, in the opinion of this House, the government should take the initiative, in collaboration with the provinces, to improve and standardize procedures of compiling statistical data on tourism, with the purpose of establishing long-range objectives and sound policies for the travel industry in Canada.

Motion agreed to.

OIL

GOVERNMENT CONSIDERATION OF WAYS TO PREVENT DRILLING IN WEST COAST WATERS

Mr. Grant Deachman (Vancouver Quadra) moved:

That, in the opinion of this House, the government should consider ways of preventing oil drilling in west coast Canadian waters where accidental oil leakage could create a major disaster in this busy industrial, recreational and residential area.

He said: Mr. Speaker, the swift progress that the members of the House of Commons seem to make on Friday afternoons, when ministers have gone and the House is left with the backbenchers to carry on business, has resulted in our reaching my resolution a good deal faster than I thought would be the case.

Mr. McGrath: Sit down and we will pass it.

Mr. Deachman: Having done so well, and having so much time before us this afternoon to debate resolutions, I shall proceed without the benefit of papers since I hardly expected my motion would be reached today. I want to discuss for a few minutes the resolution that I have standing in my name. Then I hope, with perhaps brief comment by other members, we will continue the progress we have made this afternoon. I know we are now the envy of the ministry as it looks at Government Orders and wishes it could dispose of its business in as spritely a manner as that in which private members' motions have been disappearing this afternoon.

My resolution reads as follows:

That, in the opinion of this House, the government should consider ways of preventing oil drilling in west coast Canadian waters where accidental oil leakage could create a major disaster in this busy industrial, recreational and residential area.

Much has been said in the House of Commons about this subject in recent days and weeks, particularly in view of the tragic circumstances off the Atlantic coast involving the sinking of an oil tanker. This event has drawn to our attention even more forcibly the danger that can arise to our coastline as a result of oil drilling programs. This is especially so in areas where there is very considerable tourist and pleasure traffic; where marine life abounds; where we are doing our best to preserve and to protect marine life; where people use the beaches; where there are many marinas and pleasure boats in operation; where recreation is part of the business and life of the community along the shore, and where residences overlook waters or are located at beach areas. The purpose of the resolution is to protect areas such as the Gulf of Georgia and other waters off the west coast, for example the west coast of Vancouver Island, the area of Long Beach and other points that are now being developed for tourist and recreational purposes.

We have been watching the search of the oil companies for oil in the Gulf of Georgia with considerable alarm. Members of this House from the west coast have gone to see the Minister of Energy, Mines and Resources (Mr. Greene) to urge upon him that licences for drilling in this area do not issue. The Minister of Fisheries and Forestry (Mr. Davis) has gone so far as to declare in a public address that he believes oil drilling in the Gulf of Georgia should never take place; further, that this area should be a national park to preserve for all time the waters in the Strait of Georgia as a national reserve, an area where oil drilling and oil spillage should be minimized so as to protect the recreational facilities in the vicinity for the benefit of people in the coastal region. It was a tragedy when oil leakages as a result of drilling occurred on the floor of the coast, destroying marine life, birds and wildlife for many miles along the coast.

We have been told that the nature of the wildlife and marine life along the coast has undergone a change; that indeed it may never be restored as a result of this tragic accident. Even more important is it to fear an accident in the Gulf of Georgia, waters that are confined between Vancouver Island and the mainland. It is a stretch of water as narrow as a few miles and no wider at any part than 20 or 25 miles. It is an area where even a small spillage or accident, nothing like the tragedy that occurred on the floor of the west coast or the accidents with tankers, could cause untold damage not only to marine life but to beaches, marinas, pleasure boats and other facilities along the coast of Vancouver Island and the mainland, as well as the small islands that dot the gulf. It is because of this danger that I have moved and am speaking to my resolution this afternoon. There is another aspect of this question that I want to discuss.

• (4:10 p.m.)

Some hon. Members: Filibuster.

Mr. Deachman: I believe that hon. gentlemen opposite, especially those from Nova Scotia, understand the nature of the tragedy and I am sure they are in sympathy with what I have to say this afternoon.

An hon. Member: We all agree with you.

Mr. Deachman: Knowing that we have time to discuss it this afternoon, I hope they will give me an opportunity—

An hon. Member: Everybody agrees with you. Why discuss it?

Mr. Deachman: —to put on the record, as they have been doing day after day, the problem that we face. Therefore, I plead with them for the opportunity to speak and ask them not to talk me down while I make my statement.

Some hon. Members: Hear, hear!

Mr. Deachman: One of the problems involved is the question of the ownership of the water of the Gulf of Georgia. This question has been raised at federal-provincial conferences as to the right of the province of British Columbia to issue licences for oil drilling in this area. It is the understanding of western members that the government of British Columbia is eager to assume title to this land and to get into the business of issuing oil drilling licences. Federal Parliament members from the west coast do not want this to happen, and we hope that nothing will be done at federal-provincial conferences to prejudice the waters of this strait in such a way that the province can, against the wishes of the people nationally, issue oil drilling

licences. This could result in a tragedy of the type we have learned of on the California coast.

For these reasons I plead for a moment to speak on this subject this afternoon. I want the House to clearly understand the constitutional problem which exists and the troubles which could result from the federal government taking its hands off whatever powers and rights it has in the waters of the Strait of Georgia. My immediate plea is to the Minister of Energy, Mines and Resources (Mr. Greene) not to issue licences of any kind for oil drilling in waters of the strait and those adjacent to the west coast of Vancouver Island, until the whole matter of the safety of these waters has been carefully studied. Under no circumstances do we in British Columbia want to experience a tragedy such as occurred on the Florida coast.

Because of the resources being discovered today in the Arctic, Alaska and Alberta we know that oil abounds and is being discovered in larger and larger quantities. At this time there is no necessity to move hastily to drill for oil in the Strait of Georgia, which is a marginal area for oil discovery. We plead with those in power in the federal government and the government of British Columbia not to run the risk of destroying this very valuable area for years to come.

An hon. Member: Question.

The Acting Speaker (Mr. Béchard): The hon. member for Kootenay West (Mr. Harding).

Mr. Randolph Harding (Kootenay West): Mr. Speaker, I listened with a great deal of interest to the previous speaker and I note the motion he was speaking to and which I endorse. It is rather amusing to have a motion of this type placed on the Order Paper, particularly by a government member. He is talking about the constitutional problem. As far as the west coast is concerned, the constitutional problem has been solved by the Supreme Court of Canada, which has indicated very clearly that the continental shelf falls under the jurisdiction of the federal government. If we are in trouble on the west coast of British Columbia, it is not so much the provincial authorities who are at fault—although they have taken the bit in their teeth and are letting out oil and gas exploration permits and seismic surveys—but the weak, vacillating federal administration that allows this type of exploration to take place when a Supreme Court ruling has already been made. I feel that the plea by the hon. member to the government is like—

[Mr. Deachman.]

An hon. Member: Like a sound in a hollow jug.

Mr. Harding: Yes, it is like a sound in a hollow jug. Here they are, coming to the House of Commons and praying that something be done, when we already have the legislation.

Some hon. Members: Hear, hear!

Mr. Harding: Mr. Speaker, I am happy to see members stand up on the other side of the House to protest the vacillating and weak departments which are handling the pollution problem in Canada. I hope more of them raise their voice to point out the government departments which are not doing their job. This is the only way we will get action on the grave pollution problems facing our nation.

A similar set of circumstances exists on the east coast and also in the Arctic where the *Manhattan* is planning another trip. We do not find government departments doing anything about this; they are just hoping that nothing will happen. No conversations are taking place with the *Manhattan* officials, the oil companies involved or the United States government as to who would pay the costs or be liable in the event of a major oil spill. They just hope nothing disastrous will happen. They are sending up a little prayer that everything will go well. The same situation exists on the west coast of British Columbia.

Once jurisdiction has been defined as federal, we are in the driver's seat and should determine when an oil lease or gas exploration permit is to be let out. You know what the situation is on the west coast, Mr. Speaker, but I am certain the people of Canada do not. The Department of Energy, Mines and Resources is collecting oil and gas treaties from companies, and the same companies are going to the provincial government which is also collecting fees from them in areas over which we are supposed to have jurisdiction. It seems to me that something is wrong here. I say that the power already lies within federal jurisdiction to clamp down as far as the west coast is concerned.

I suggest to government members that we stop pussyfooting around on this issue. I believe in federal-provincial co-operation when it comes to matters such as oil pollution.

I agree with the hon. member that there should be no oil drilling in the Georgia Strait. As the hon. member has told the House, it does not matter how large a pool of oil is discovered under the Strait of Georgia—one major spill would do more damage than all the economic benefit that would accrue to Canada from a vast pool of oil. The members from British Columbia realize this. This is why we are suggesting this area in particular be excluded. It is not the only area which should be excluded. There is the Great Lakes system: I do not think there should be drilling in that system, because one major oil spill there would completely destroy the aesthetic value of the greatest fresh water system in the world.

• (4:20 p.m.)

What is the government doing? There are no adequate contingency measures in the event of oil spills. That was demonstrated when the *Arrow* went down off the coast of Nova Scotia. No plans had been laid down prior to the accident concerning what policies and programs should be followed in order to disperse the oil. As a consequence, there has been ecological damage on the east coast for which Canada will be paying for generations. The same thing could apply to the west coast.

I am well acquainted with the drilling which has been taking place off the west coast. I have been taken out by helicopter and have landed on the drilling rigs. I know what is going on. There is no protection: there are no regulations or contingencies in regard to these operations. The question of liability and who would pay for the damage caused by an oil spill has not been established either federally or provincially. The people of the nation are beginning to rise in indignation over the lack of any policy or program, not so much on the part of the provincial government but federally.

There is much legislation on the statute books of Canada concerning pollution, but how has the government been implementing it? Most departments have been doing absolutely nothing about it. We are upset because of lack of federal action. This is also the reason we are so pleased to see that some Liberal members at long last are standing up and going after the government, because the government is the cause of the inaction from one end of Canada to the other. We welcome the type of action proposed in the motion and hope we will see more and more of it.

Before I sit down there are one or two other points I should like to make. There is an excellent summary on oil pollution prepared by Dr. Warner. He makes several recommendations. I should like to read two or three of them because I intend to suggest to my friends opposite that they indicate what we should be doing in the field of research, planning against disasters and in an effort to make certain we do not have any more trouble from oil pollution. I shall not read all the recommendations, as they do not all apply to the motion. This is one: Instigation of a biologically and oceanographically oriented research program in the North Atlantic and the coastal regions of eastern Canada with special reference to seabirds and other important marine species. This applies to the west coast. There is another recommendation. He recommends the carrying out of a national survey to identify sites of special importance, leading to development of critical area protection programs. The Georgia Strait is one such site. Then he recommends the instigation of a research program into the biological effect of present and proposed refinery and petro-chemical plant operations. This is another absolute need. He recommends the development of a truly effective national system for locating, reporting and identifying the sources of oil pollution circumstances, and the development of a national contingency program. This is a very important item. Another recommendation concerns the development of national criteria for environmental protection, to be included in all oil leases, construction contracts and other agreements where the activity presents some probability of risk to the environment. The final recommendation is improvement of international co-ordination and communications.

Mr. McGrath: Mr. Speaker, would the hon. member identify the document?

Mr. Harding: It is a brief prepared for the Canadian Wildlife Service by Richard E. Warner of Memorial University, Newfoundland.

Mr. McGrath: That is what I wanted the hon. member to say.

Mr. Harding: The hon. member from Newfoundland can be proud that this report originated from someone in his province. These recommendations are worthy of study by every member of this House. They should be taken to heart. I shall not say much more because several members wish to speak on this important resolution. I want to say, however, that I endorse 100 per cent the banning

of oil drilling in the Strait of Georgia. Action in this regard must come from the federal government.

I believe the provincial government should be notified immediately that we will not allow any other oil or gas exploration permits to be issued by the provincial authorities in this area. I believe this is a recommendation that must come from this House. Hon. members on the other side must see that such a message goes to the Premier of British Columbia. I agree that we should set up a maritime park in the Strait of Georgia. This is an excellent idea. Let us get on with such a project, in conjunction with banning oil drilling in the strait.

I am most happy that at long last members on all sides of the House are going after the people who have been responsible for the delay in setting up proper precautions against oil pollution in the waters of our nation.

Mr. David Anderson (Esquimalt-Saanich): Mr. Speaker, it is a great pleasure to follow the hon. member for Kootenay West (Mr. Harding) who has talked so much about the failure of provincial governments. In referring to pollution dangers from oil drilling, I am surprised that he did not refer to the NDP government of the province of Manitoba now headed by the man who formerly sat next to the hon. members in this House and whom he should know very well. The government of Manitoba has been asked to ban drilling on a certain lake. It has refused. I should like to quote briefly from the Winnipeg *Free Press* of Wednesday, February 18, in order to point out the type of thing the NDP government is doing and which this federal government should be preventing. I shall read from page 2:

> The Turtle Mountain resource council has asked for a suspension of exploratory oil drilling at Whitewater Lake until an over-all development study of the area has been completed.
>
> Whitewater Lake, about 10 miles west of this southwestern Manitoba town and 40 miles south of Brandon, is a major fall concentration ground for ducks and some geese.

A later story in the same paper refers to the provincial resources minister who like our own minister is called Green, but this time spelled without an "e". The story reads in part:

> Resources Minister Sidney Green of Manitoba said Tuesday that on the basis of his department's studies, he is satisfied there is no danger of pollution from oil drilling at Whitewater Lake.

This is precisely the type of NDP attitude which is causing trouble so far as oil drilling is concerned. If the hon. member for Kootenay West is serious about doing something about the problem of oil drilling in lakes, and so on, I suggest he should start by going to see the gentleman with whom he must be fairly close, the Premier of Manitoba, and point out to him—

An hon. Member: Deal with the departments.

Mr. Harding: Let us have no double talk from you. Let us go after the departments.

Mr. Anderson: The hon. member naturally wants me to talk about something else because he finds this embarrassing and difficult.

Mr. Harding: Talk about the resolution.

• (4:30 p.m.)

Mr. Anderson: I assure the hon. member it is embarrassing and difficult because, as I said, it is precisely this type of attitude by the provinces which causes problems in the fight against pollution. If the hon. member wishes us to act in British Columbia as he suggests, like a bull in a china shop, and have every issue on pollution go to the Supreme Court on constitutional grounds, that may be his idea of what we should do. I suggest we might do precisely the same in the case of Manitoba.

I suggest to him, further, that we will probably do a great deal more to solve the problem of pollution by dealing with the provincial premiers as reasonable men, and I am sure he would agree that Premier Schreyer and Premier Bennett are reasonable men. If he wishes to tackle pollution problems by confrontation with the provinces, I am glad his party is far from power. Let me add that this centralist NDP concept concerning the concentration of power in Ottawa is a traditional attitude of theirs, and is something about which they are not ashamed. They make it a perfectly open part of their platform. But let me point out to them that if they wish to go ahead with that type of approach, they will probably prevent any real solution of many of the problems of water pollution which involve both federal and provincial governments, even in the NDP governed province of Manitoba.

I wish to turn now to the specific question of oil drilling in British Columbia which, as I said, is not so very different from the case in Manitoba at Whitewater Lake. I should like to point out that the motion put forward by

the hon. member for Vancouver Quadra (Mr. Deachman) is precisely the type of motion which the House can go on record as approving. It is a resolution which might help to prevent damage which would be possible if drilling takes place in the Gulf of Georgia and in Manitoba, if the province of Manitoba does not change its mind about drilling there.

It is this careful, cautious approach to preserve the wildlife, to preserve the beauty and to preserve the heritage of Canada which I most heartily endorse. The same is true with respect to the north, if the hon. member for Kootenay West will allow me a few more words on some other area of Canada apart from the west coast. In the north, where again we do not know enough about the possible effects of drilling, we should also have this type of ban.

I should like to go on record as supporting most heartily the proposal of the Canadian Wildlife Federation which calls for a ban on drilling in the Arctic until such time as more is known about the potential damage to the ecology of the area as a result of such drilling. The same is true in British Columbia; we should do precisely the same thing in the Gulf of Georgia. Part of the Gulf of Georgia is in my riding and part is in the riding of the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas), who happens to be away this afternoon. It is an area of great beauty, a great potential tourist attraction; indeed, it already has a great tourist industry. It is an area which would be threatened very severely if drilling were permitted there.

It is perhaps not commonly known to members representing other parts of Canada that Vancouver Island and the west coast of Canada lie in the same general earthquake belt as Santa Barbara and San Francisco. This belt stretches to Alaska, and members will recall the disastrous earthquake which took place in Alaska not so long ago. What would happen if drilling took place in the Gulf of Georgia, even if precautions were taken, and an earthquake occurred and severed the wells? We would have the same problem as was experienced in Santa Barbara. Oil would seep up along the whole rift along the ocean floor, and there would be no possible way of stopping that seepage because the oil would be seeping, not from the well but from many different cracks in the surface of the ocean floor.

We would be faced with the same situation as in Santa Barbara where it was quite impossible to properly clean up the oil. Mr. Speaker, at Santa Barbara seals were covered with oil. For a time they stayed alive and continued to swim, but slowly, one by one they died until finally in some areas they were wiped out entirely. The same was true of other wildlife, and indeed the same may be true of salmon and other fish. If it happened in Canada, in the Gulf of Georgia, instead of Canada's most beautiful recreational area, we would have a water desert and a water wasteland. The proposal of the hon. member for Vancouver Quadra would prevent that type of disaster occurring. It is for this reason that I endorse it most heartily.

I also endorse most heartily the proposal that the whole area of the Gulf of Georgia become a national park. As hon. members have mentioned, there is no difficulty with the province over jurisdiction because this is a totally federal area. There is no question of adopting the bull in the china shop tactics proposed by the hon. member for Kootenay West in this area, because the Gulf of Georgia is entirely a federal area. Therefore, the proposal that the entire sea bed, and the waters about the sea-bed right up to the high water mark of the Gulf of Georgia, become a national park and an area where we could have, for example, tourist submarines such as the Swiss have in Lake Geneva, where people can go down and see marine life in the water, is an excellent one. Perhaps if technology advances sufficiently every family will have its own little yellow submarine for this purpose.

This is the kind of area we must preserve for the future. We cannot allow this whole area, its present recreational value as well as its potential value, to be jeopardized by oil drilling. If, for example, we were told by geologists that the Gulf of Georgia was the richest and most profitable oil pool in the world, that it rivalled Kuwait or some of the Middle East kingdoms, we might be tempted to weigh the recreational value of the area against its value in oil. But every single piece of evidence we have indicates that it is not that type of situation at all, and that any oil that might be found in the Gulf of Georgia would be of marginal value and would not be great because evidently the geological formation is shallow. Thus, if we decided to drill we would be risking tremendous loss for a very hypothetical gain.

Mr. Speaker, this motion encompasses more than the Gulf of Georgia; it deals with the whole west coast of Canada. The proposal has

great merit also in the area of Tofino and Long Beach, which was the scene of some drilling some two years ago by SEDCO and Shell. Fortunately, the wells turned out to be dry, if you can describe wells beneath the sea as being dry. In any event, there was no oil. They were capped, the capping was evidently satisfactory and thus they will not leak in the future.

Nevertheless, because that whole area is in an earthquake zone and, with the present technology, it is not possible to prevent similar disasters as that which occurred in the Santa Barbara channel from arising, I feel that the motion of the hon. member for Vancouver Quadra would be most applicable in that area as well. Recently we have stocked this area with the sea otter, which was the first reason for white men coming to the coast of British Columbia. My friend, the hon. member for Kamloops-Cariboo (Mr. Marchand), sitting behind me today, may doubt that the white man's arrival was a good thing, but that is not really relevant to this debate. At that time white men came to the coast for sea otter skins. They took them to China, sold them in Canton, and the result was the destruction of this animal on our coast.

We are fortunate that we have been able to restock the sea otter, which was done last year, and that this area is still wild and we can thus expect them to prosper. It is my hope that if we can prevent the careless exploitation, or even the most careful exploitation which involves a risk of destruction by oil leakage, we will preserve this area unspoiled for future generations who in turn will have some reason to give us thanks. Goodness knows, our generation has messed things up pretty badly in other areas.

I will turn now to the point raised by the hon. member for Vancouver Quadra as well as the hon. member for Kootenay West regarding the responsibility of the Minister of Energy, Mines and Resources. There is no doubt that outside the area which has been offered to the provincial government for their administration, he can completely ban offshore oil drilling. I might point out to hon. members opposite that it is precisely the efforts of members such as the hon. member for Vancouver Quadra, and other members of the Liberal Party who are working hard on the minister in this regard, which is most likely to result in success.

• (4:40 p.m.)

An hon. Member: Don't pollute the air.

Mr. Anderson: Unfortunately the hon. member from Kootenay West evidently has no influence with his former seatmate, the Premier of Manitoba. It is my view that the hon. member for Vancouver Quadra will have more success with the Minister of Energy, Mines and Resources. I believe that events over the next few months and years will bear this out. In that area which is outside the jurisdiction of the province we will have no cause for concern, provided the minister heeds the advice of the Liberal backbenchers. We most sincerely and earnestly urge him to do this because we, the people who live on the west coast, do not regard oil drilling as anything equivalent in value to the way of life that we now enjoy on the west coast.

In the areas where the federal government his offered administrative control of drilling to the province, the province has the right to collect fees for oil drilling. But this does not permit it to say more than, "You can drill there, and another company can drill somewhere else." It allows the province to collect fees, but it is still in the hands of the federal Minister of Energy, Mines and Resources to decide whether or not drilling should take place and whether it is a safe and desirable thing from the geological and ecological points of view.

In certain areas the minister has total control, and in other areas he has control for pollution purposes. I hope he takes fully into account the views of those of us who live on the west coast. I repeat, we live there and we do not want to risk oil spillage and leakage that may result from drilling. I certainly hope he heeds our views.

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, at the outset I must say that the motion is very weak. It vacillates, it attempts to tread the middle of the road concerning one of the most serious problems facing Canada, namely, oil pollution of our waters. But it is topical because recently we had a disastrous accident in Nova Scotia where a tanker went aground and broke up.

I think the motion is wrong from a procedural point of view and a national point of view. The hon. member is asking the House to approve a motion the effect of which would be to ban oil drilling on the west coast, but apparently nothing is to be

done about drilling on the east coast or in Arctic waters. I am not at all in sympathy with that. Let me put it this way, Mr. Speaker: I agree with what the mover of the motion had to say, and there was some force in the speeches of those who supported his motion; but the fact of the matter is the motion is wishy-washy typical of somebody who wants to gently chide the government for its failure to institute some controls.

I go back to the *Arrow* incident. I suggest that we are no better prepared today than we were two weeks ago to cope with an incident such as this. Anyone who has seen the effects of this oil pollution cannot rest until some form of control is instituted, and arrangements set up to clean pollution caused by such accidents. There is no disagreement on that point.

The second thing which bothers me about the motion is that I detect in it something that is anti-commerce, anti-business. The suggestion is that big business does not care a damn about ecology. Acceptance of the motion by the House might be interpreted by people in business as an implication that they are not prepared themselves to take reasonable measures to combat pollution. As suggested by a previous speaker, the location referred to on the west coast is in close proximity to a major fault in the earth's crust. This fact may lend special concern to this motion, but it is wrong to suggest that major oil companies have not taken it into consideration.

Mr. St. Pierre: Read about the Santa Barbara incident.

Mr. Forrestall: We learned from the Santa Barbara incident. Surely the commercial interests on the west coast have taken this into consideration. If there is any danger, the fault does not lie with the industry concerned. I agree with the motion that it is time controls were established. If danger exists because of the geological factor, it is up to the government to identify the critical areas of Canada and if necessary ban exploratory wells and indeed production wells.

For the reasons I have given, I cannot support this private member's notice of motion. On its face, the motion suggests that it is quite all right to drill wells anywhere else around the coast of Canada.

Mr. Anderson: Can't you bring in your own motion for the east coast?

Mr. Forrestall: If the hon. member has something to say perhaps he can get on his feet another time. The point I am trying to make is that the west coast is the only part of Canada which needs protection.

Mr. Anderson: I rise on a question of privilege, Mr. Speaker. Those of us who have spoken in favour of this motion certainly did not suggest that there is no other area of Canada which may have similar difficulties. It is simply because we know this area better than any other that we spoke of the west coast. There is nothing to prevent the hon. member bringing in his own motion for the east coast.

An hon. Member: Let the Liberals do it.

Mr. Forrestall: Good God, you haven't done anything yet! Your delight, the Minister of Transport (Mr. Jamieson), committed the most immoral act that has ever been perpetrated in this House when he permitted the tanker *Arrow* to break up in Chedabucto Bay and did not burn it. Don't talk to me about action and inaction. You don't care. You bring in a wishy-washy resolution and ask this House to approve it. God, it hasn't got the guts or the spine of a garter snake. I believe in its intent and purpose, but not in achieving these things in such a wishy-washy manner. Get on with the job and do something about it; then maybe you will get a little support from people who are concerned about what is going on in this country.

Mr. Osler: Would the hon. member permit a question? Does he realize that if the people of Nova Scotia would buy good western oil, they could set it on fire, but they cannot burn the bunker oil that they bring in by ocean? It is quite impossible to set it on fire.

• (4:50 p.m.)

Mr. Forrestall: Why does the government not give us the right to buy Canadian oil? You people could recommend that; you support the government.

The Acting Speaker (Mr. Béchard): Order, please.

Mr. Paul St. Pierre (Coast Chilcotin): Mr. Speaker, I shall not take up much of the time of the House with some rather lugubrious comments, since I spoke at some length previously. I intend to speak briefly. The hon.

member for Vancouver Quadra (Mr. Deachman) has told us about the situation in the Gulf of Georgia in a clear and accurate manner. I concur in what he said and I support the motion. I thank the House for its patience.

Mr. Knowles (Winnipeg North Centre): Question.

Mr. E. F. Whelan (Parliamentary Secretary to Minister of Fisheries and Forestry): Mr. Speaker—

Mr. McGrath: Here speaks a real expert on pollution.

Mr. Whelan: It may surprise the hon. member for St. John's East (Mr. McGrath) to know that I have visited the area. I wish to comment on something the previous speaker, the hon. member from Nova, said, namely, that the motion does not cover all parts of Canada and is not broad enough. In the area I come from, the government of Ontario—I need not remind hon. members of the political affiliation of that government—issues permits for oil drilling in the Great Lakes. Apparently it will continue issuing permits for oil drilling in Lake Erie.

Some of us are not too happy about this. One of the most amazing documents you could read is an IJC report concerning oil drilling operations in Lake Erie. About two years after I became a Member of Parliament I went to the township of Colchester bordering Lake Erie. There had been an oil leak, and all the beach fronting the lake had been fouled to such an extent that it could not be used by the people of the area.

I work with the Minister of Fisheries and Forestries (Mr. Davis) and I know how concerned he is about pollution. It is fair to say that all members of the House of Commons are concerned about pollution. Among other things the minister has said this, and I intend to put his remarks on record:

> Think of an oil well in our shallow coastal waters just off the mouth of the Fraser River here in Vancouver. Think of an oil company striking an oil pool and then having its production get out of hand. Think of the damage to our local commercial and sports fisheries. Think of the damage to pleasure craft, beaches and recreation. Think of the downgrading of property values around the Gulf Islands and on Vancouver Island itself. Think even of the anguish of countless thousands of Canadians who might never see the oil scum but whose mental picture of the beauties of Georgia Strait would be shattered forever.

[Mr. St. Pierre.]

One of the earliest white settlers in my area was a French soldier whose diary before being translated into English was kept for many years in the museum at Fort Malden. In writing about the Detroit River he said there were so many fish there that he could walk across the river on the backs of fish of all species. He described the water-fowl of the area in glowing terms and said that the Detroit River and surrounding area was the most beautiful sight he had ever seen and was even more beautiful than the south coast of France.

We still have some water-fowl in the area, notwithstanding the pollution. Man has polluted the area, and man must clean it. We would not want the Georgia Strait to be polluted; no Member of Parliament would want that. I have been criticized in the past for not being more concerned about pollution. Pollution, it seems, is uppermost in the minds of Canadians no matter where they live. I can remember when I was reeve of my municipality trying to obtain a lagoon, a pollution control system for the region, only to be practically assassinated by innuendo. It was said the lagoon was not necessary.

That was ten years ago. Today, if you want to control pollution you are a hero; but it was not so ten years back, which is not so long ago. They did not think you were a saviour of mankind or of a country, as they do today, if you wanted to spend money on pollution control. Now they realize that pollution is terrible and is taking place in many parts of the country.

When we talk about oil drilling, whether it be on the west coast, the Arctic, the east coast or the Great Lakes, do hon. members realize how many square miles are involved? How big an area of our continental shelf are we talking about? In brief, our continental shelf covers a very large area of the east coast estimated to be approximately 430,000 square miles, extending seaward for 17 miles off Nova Scotia, 400 miles off Newfoundland and 75 miles near the eastern entrance to Hudson Strait. Off the west coast, the shelf is generally narrower but still extends seaward in places for 70 miles off the islet-fringed coast of British Columbia.

The area of the west coast shelf is estimated to be approximately 40,000 square miles. The submerged area in the Hudson Bay-Hudson Strait region is estimated to be in the order of 400,000 square miles. The limits of

the shelf in the Arctic are not as well known as elsewhere, but the shelf has been estimated to be in the order of 500,000 square miles.

An hon. Member: Five o'clock.

Mr. Knowles (Winnipeg North Centre): Question.

The Acting Speaker (Mr. Béchard): Order, please. The hour for the consideration of private members' business having expired, this House stands adjourned until Monday at two o'clock.

At five o'clock the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Monday, February 23, 1970

The House met at 2 p.m.

[*Translation*]

PRIVILEGE

MR. PRUD'HOMME—COMMENT BY MEMBER FOR YORK SOUTH RESPECTING TRIP TO ARAB COUNTRIES

Mr. Marcel Prud'homme (Saint-Denis): Mr. Speaker, I take the first opportunity given to me to rise on a question of privilege of which I have given you notice pursuant to Standing Orders.

It relates to comments made by the hon. member for York South (Mr. Lewis) and reported in the Ottawa *Citizen* of January 23, 1970; they deal with an invitation from the United Arab Republic to attend a peace conference to be held in the Middle East and to visit the Arab countries.

This is a matter interesting all members of Parliament who are occasionally invited by countries—friendly, neutral or former enemy countries—with which we have friendly relations.

Besides, many other members have accompanied me on that journey and I would not want to give here a list of the invitations I have accepted, along with members of the New Democratic party, to go to Washington or elsewhere.

I strongly protest against the innuendos of such a statement because it could cast doubts on my objectivity with respect to that tragic conflict.

As a matter of fact, I rose in the past against the spreading of hate propaganda against the Jews as is shown in the official report of the House of Commons' debates of June 1 and 14, 1967, at pages 824 and 1514.

I raise a strong protest against such insinuations which could make any invitation any member of Parliament could receive in future subject to criticism. In my opinion, Mr. Speaker, my question of privilege is so justified that I am not requesting you to refer it to the Committee on Privileges and Elections.

Mr. Speaker: The hon. member has given me notice of the question of privilege he intended to raise, in accordance with Standing Orders. After studying the question and after hearing the hon. member's remarks, I would doubt that a question of privilege is in order when all the hon. member has to complain about is that another member suggests that a given action is not proper. I believe it is a matter of translation. We use the word "convenable" whereas the word the hon. member for York South used in English is more specific.

[*English*]

I believe the complaint of the hon. member is that another hon. member has questioned the propriety of a certain action. I would think that this is a rather mild reference to the action of an hon. member and I fail to see how a question of privilege could be raised on this basis.

• (2:10 p.m.)

I have to add the circumstance that the matter was raised outside the House, not in the chamber, and for this reason I do not think there would be a question of privilege. As a third consideration, no motion having been moved the matter cannot be referred to a committee and no further action can be taken by the House.

[*Translation*]

Under the circumstances, I must render the decision that there is no ground for the question of privilege and that this matter cannot be considered further.

[*English*]

Mr. David Lewis (York South): I rise, Mr. Speaker, perhaps on what may be my question of privilege. I do not have the clipping before me but I remember what I said to the reporter. I did not question the propriety of these members going. I said, if my memory serves me right, that if they went at their own expense that was one thing, but if they were invited by the Egyptian government one ought to appreciate the reason for the invitation, or words to that effect. I did not intend to question, nor do I question, the integrity of the members concerned. I do not want to prolong the debate any further, Mr. Speaker.

[*Translation*]

Mr. Speaker: I believe the House is unanimous on this point.

[*English*]

ROUTINE PROCEEDINGS

LABOUR CONDITIONS

ARGENTIA, NFLD.—CLOSING OF U.S. NAVAL BASE—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION UNDER S.O. 43

Mr. Walter C. Carter (St. John's West): Mr. Speaker, on the ground of urgent and pressing necessity I ask the unanimous consent of the House to move a motion based on the following facts.

Following the announcement by the United States authorities on February 6, it is now certain that the phase-down of the Argentia naval base will leave more than 350 men unemployed on March 20, without alternative employment. These men have up to 27 years employment at the Argentia base. They are being let out on 30 days notice and with inadequate severance allowance or pension. These men are declared redundant in a province where the unemployment rate is close to 20 per cent. My motion reads as follows:

That the government take immediate measures to counteract the economic and social disaster which has struck the people of the Argentia community due to the phase-down of the Argentia naval base.

Mr. Speaker: Hon. members have heard the motion proposed under the terms of Standing Order 43. As they know, it cannot be proposed at this time unless there is unanimous consent. Is there such agreement?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is no unanimity. In the circumstances the question cannot be put for consideration at this time.

NATIONAL ENERGY BOARD ACT

AMENDMENTS RESPECTING DEFINITIONS, ADMINISTRATIVE POWERS, ETC.

Hon. Donald S. Macdonald (for the Minister of Energy, Mines and Resources) moved for leave to introduce Bill C-190, to amend the National Energy Board Act.

Motion agreed to, bill read the first time and ordered to be printed.

[Mr. Lewis.]

RADIATION EMITTING DEVICES BILL

ESTABLISHMENT OF STANDARDS, APPOINTMENT OF INSPECTORS

Hon. John C. Munro (Minister of National Health and Welfare) moved the first reading of Bill S-14 (from the Senate), respecting the sale and importation of certain radiation emitting devices.

Motion agreed to and bill read the first time.

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Question No. 358—**Mr. Knowles (Winnipeg North Centre):**

1. Does the government have figures indicating how much money Canadians have contributed, through non-governmental agencies, toward the relief of suffering in Biafra (a) from the beginning of the Nigeria-Biafra conflict until December 31, 1968 (b) during 1969?

2. What forms have these contributions taken, to what agencies have they been made, and for what purposes?

Hon. Mitchell Sharp (Secretary of State for External Affairs): 1. No, the government does not have a record of non-governmental assistance.

2. N/A.

WATERS BETWEEN ST. PIERRE-MIQUELON AND CANADA

Question No. 659—**Mr. Fortin:**

1. What stage has been reached in the negotiations with France concerning the status of the waters between St-Pierre and Miquelon from Canada?

2. What is the nature of the dispute?

[*Translation*]

Hon. Mitchell Sharp (Secretary of State for External Affairs): 1. Baselines have not been drawn in the vicinity of the St. Pierre and Miquelon islands because the boundary lines have not yet been agreed as between Canada and France. This issue is to some extent related to the question of the delimitation of the boundary of the continental shelf between Canada and France in this area; negotiations to define that boundary were begun in 1967 and it is hoped that they will be resumed in the near future.

2. The difficulty concerning the drawing of baselines is of a purely technical nature having to do with the presence of certain rocks approximately half way between the French islands and the Canadian coast.

[*English*]

RE-ELECTION TO CERTAIN UN BODIES

Question No. 683—**Mr. Dinsdale:**

1. Did Canada seek re-election to (a) the Industrial Development Board of the UN (b) the expanded Committee on Program Co-ordination for Economic and Social Development?

2. How long has Canada served on these important UN bodies?

3. What is the reason for the action of the Canadian Government on this matter?

4. Is the government downgrading Canada's support for external aid programs as a part of the austerity program?

Hon. Mitchell Sharp (Secretary of State for External Affairs): 1. (a) No; (b) No.

2. Three years in each case.

3. In the light of available manpower and other commitments, it was decided that Canada would not seek re-election to these bodies at this time.

4. No, the Prime Minister said in the House on December 1, 1969, as recorded in *Hansard* p. 1424/5:

"We decided that we were going to be giving more but that we could not increase our percentage... We tried to freeze most areas of government spending. This particular area we did not freeze. We increased the spending but not the percentage."

ST. PIERRE-MIQUELON—JURISDICTION OVER TERRITORIAL WATERS

Question No. 729—**Mr. Crouse:**

How many meetings have been held between French authorities and the Canadian Government on the question of jurisdiction over the territorial waters surrounding St. Pierre and Miquelon concerning control of fishing activities, mineral and oil rights in the past two years?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Negotiations between Canada and France concerning the delimitation of their respective areas of jurisdiction over the continental shelf in the region of the Islands of St. Pierre and Miquelon were begun in 1967. There have been no discussions concerning jurisdiction over territorial waters in this area although that question is to some extent related to the delimitation of the boundary of the continental shelf between Canada and France. No meetings have been held between the French and Canadian authorities on the matters under reference in the past two years, but it is hoped that negotiations on this question will be resumed in the near future.

Questions

ARMED FORCES—PREMATURE PILOT RELEASES, AIRCREW PREFERENTIAL PAY SCALES

Question No. 788—**Mr. MacLean:**

1. How many aircraft pilots were prematurely released from the Canadian Armed Forces from 1963 to 1965, inclusive?

2. What was the total amount of special payments paid to these pilots as a result of their premature release?

3. What is the total cost to date of the preferential pay scales for aircrew since its introduction over and above what would have been the total pay costs had the preferential pay scale not been introduced?

4. Is there a surplus of pilots or other aircrew in the Canadian Forces at the present time?

5. Are preferential pay scales paid to aircrew who are employed on non-flying tasks and on a permanent basis?

6. Has the Department of National Defence a plan for premature release of aircrew in the near future?

Mr. D. W. Groos (Parliamentary Secretary to Minister of National Defence): 1. 284. Eighty-nine of these pilots were serving on short service commissions, many of whom would not have accepted or been offered permanent commissions. Of the 195 pilots with permanent commissions who were released, not one was below 43 years of age; 31 of them were actually overage having previously been given extensions beyond compulsory release age; 72 were within one year of compulsory release age and 92 within two years of compulsory release age.

2. Total amount paid to pilots as special benefits was $843,768.

3. From 1 February 1966 to 31 December 1969, $7,117,205.

4. At the present time there are no surplus aircrew officers in the Canadian Forces. As implementation of the new forces structure progresses a small temporary surplus will most likely appear in both the pilot and navigator classifications. Steps have already been taken to reduce training so as to minimize this surplus and to utilize aircrew officers in areas where their special qualifications are required.

5. To qualify for aircrew rates of pay an officer must meet prescribed flying proficiency and medical standards, and he must be under continuous obligation to fly. Therefore, an officer remains eligible to receive aircrew rates of pay not only during the periods in his career when he is employed on flying duties but also during the periods when he is employed on non-flying tasks, provided he

continues to meet the prescribed standards and he remains under continuous obligation to fly.

6. No, there is no plan for premature release of aircrew. However, as aircraft are retired from inventory a number of aircrew who are presently serving beyond their normal compulsory retirement age will be released. All are being given at least six months' advance notice.

ARDA PROJECTS AND EXPENDITURES, P.E.I.

Question No. 803—**Mr. Macquarrie:**

1. Since the establishment of the ARDA program, how much has been expended annually in the Province of Prince Edward Island?

2. For what purposes were these expenditures made?

3. What projects are now being carried out in Prince Edward Island under the ARDA program?

4. What personnel from the Public Service of Canada are now working in Prince Edward Island?

5. What are their duties?

6. What was the involvement of ARDA program and personnel in the acquisition of a golf course at Stanhope, Prince Edward Island?

7. What was the amount of financial interest of the Government of Canada in this project?

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): 1. 1962-63, $14,984; 1963-64, $50,684; 1964-65, $82,797; 1965-66, $220,997; 1966-67, $435,820; 1967-68, $642,729; 1968-69; $1,123,677; Apr. 1, 1969-Jan. 31, 1970, $176,292.

2. To assist programs under the Agricultural and Rural Development Act; for programs and projects for the more effective use of lands for conservation of soil and water resources; for the development of new opportunities for increased income and employment and for research related to these aims.

3. All projects are complete with the exception of a project at Brudenell to complete some works connected with a public golf course.

4 and 5. None for ARDA, which has now been replaced by the FRED plan. Those working for this plan are: L. E. Pratt, Director; M. D. Ross, Resource Adjustment Officer; E. M. Walton, Development Officer; S. Merrill, Clerk; Mrs. E. C. Higson and Mrs. S. E. B. Howatt, Secretaries.

6. None.

7. None.

INCREASE IN SERIOUS CRIMES

Question No. 822—**Mr. Mather:**

1. What was the increase in serious crimes in Canada since 1960?

2. What was the increase in population in the same period?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): The Dominion Bureau of Statistics reports: 1. As the Uniform Crime Reporting was first introduced in 1962, statistics prior to that date are not comparable with those of more recent years. Attached is a table of selected Criminal Code Offences for the years 1962-1968, the latest year for which these statistics are available.

2. The percentage increase in population from June 1, 1960 to June 1, 1969 was 17.9.

Estimated population June 1, 1960, 17,870,000; estimated population June 1, 1969, 21,061,000.

SELECTED CRIMINAL CODE OFFENCES

Number and Rate(1) per 100,000 Population Age 7 Years and Over, 1962–1968, and Percent Increase in Rates

Offence	1962		1963		1964		1965		1966		1967		1968		Per Cent Increase 1962–1968
	No.	Rate	No.	Rate	No.	Rate	No.	Rate	No.	Rate	No.	Rate	No.	Rate	
Murder	217	1.4	215	1.4	218	1.4	243	1.5	220	1.3	281	1.6	314	1.8	+ 28.6
Attempted murder	83	0.5	108	0.7	121	0.8	111	0.7	131	0.8	139	0.8	181	1.0	+100.0
Manslaughter	48	0.3	34	0.2	35	0.2	34	0.2	28	0.2	56	0.3	60	0.3	± 0.0
Rape	579	3.8	549	3.5	745	4.6	641	3.9	652	3.9	773	4.5	892	5.0	+ 31.6
Other sexual offences	6,072	39.3	6,412	40.8	6,687	41.7	6,802	41.5	8,140	48.5	8,974	51.7	9,732	54.7	+ 39.2
Wounding	1,258	8.2	1,267	8.1	838	5.2	822	5.0	972	5.8	1,030	5.9	1,293	7.3	− 11.0
Assaults (not indecent)	27,818	180.3	32,760	208.3	40,459	242.1	44,551	271.6	53,533	318.6	59,149	340.9	66,690	374.9	+107.9
Robbery	4,951	32.1	5,885	37.4	5,666	35.3	5,576	34.0	5,710	34.0	7,212	41.6	8,382	47.1	+ 46.7
Breaking and entering	82,104	532.3	94,249	599.3	97,224	605.7	96,530	588.5	102,132	607.9	119,394	688.0	144,895	814.6	+ 53.0
Theft—motor vehicle	33,482	217.1	37,255	236.9	39,930	248.8	38,107	232.3	39,655	236.0	44,768	258.0	51,712	290.7	+ 33.9
Theft over $50	59,370	384.9	62,784	399.2	66,934	417.0	67,925	414.1	75,841	451.4	86,889	500.7	99,167	557.5	+ 44.8

(1) Rates are based on population estimated on June 1 of each year.
(2) The percent increase is calculated on the 1968 and the 1962 rates.

Questions

C-119 FLYING BOX CARS

Question No. 844—**Mr. Skoberg:**

1. How many C-119 (Flying Box Cars) are there still available for sale?

2. Where are these aircraft stored?

3. What was the purchase price asked for each C-119?

4. What was the purchase price received for each C-119?

5. Is there any knowledge as to the use these planes will be made of by those purchasing same?

Hon. James Richardson (Minister of Supply and Services): In so far as Crown Assets Disposal Corporation is concerned: 1. Nil.

2. N/A.

3. The C-119s in accordance with the Corporation's procedures were offered for sale on a competitive basis.

4. Purchase Price received: 4 at $35,000=$140,000; 4 at $32,500=$130,000; 1 at $30,000=$30,000; 6 at $27,500=$165,000; 16 at $25,000=$400,000; Spares, $235,000.

5. This information is not available.

AGRICULTURE—DEFERRED GRAIN DELIVERY PERMITS

Question No. 848—**Mr. Stewart (Marquette):**

Of the 1130 grain delivery points submitting deferred delivery permits for the crop year ending July 31, 1969, by province, how many points have been able to accept their deferred delivery permits as of January 14, 1970?

Hon. Otto E. Lang (Minister without Portfolio): Deferred delivery permits are an integral part of a producers delivery privileges for the 1969-70 crop year and deliveries under these permits may be made at any time during the crop year. It is not possible, therefore, to ascertain how many points have been able to complete all deliveries under deferred delivery permits at this time.

POLLUTION—MIRAMICHI RIVER

Question No. 908—**Mr. Smith (Northumberland-Miramichi):**

1. What is the present state of pollution of (a) the Miramichi River (b) the Northwest Branch of the Miramichi River, especially with reference to the effect on the fish population including shellfish?

2. What types of industries are causing pollution and what proportion of the fault is ascribed to each?

3. Has any method of purifying the effluent to an acceptable standard so as not to damage fish-life been discovered and found by experience to be successful (a) with reference to base metal concentrators (b) with respect to sulphite pulp mills?

[Mr. Pepin.]

4. If so, has the Department of Fisheries and Forestry any estimate of the cost of installation of such process, either in dollars or as a percentage of the overall costs of production?

5. What steps is the Department taking to enforce industries or other polluters to clear up their effluent?

6. What was the number of salmon counted at the Counting Station at Curventon on the Northwest Miramichi River in 1968 and 1969?

Mr. E. F. Whelan (Parliamentary Secretary to Minister of Fisheries and Forestry): 1. There are a number of known sources of pollution on the Miramichi River, including the Northwest, which are being monitored and studied by Ministry staff. Active negotiations for improved conditions are being conducted with offenders. There have been no recent critical fish or shellfish problems as a result of these pollution sources.

2. Pulp mills and a base metal mining operation. It is not possible to ascribe a proportion of the fault to these sources.

3. The present method of treating base metal mine wastes with lime is not completely satisfactory. A new method is being investigated by Fisheries Research Board Scientists. Biological treatment, although not perfect, is the most successful known treatment of pulp mill waste. A new process has been under investigation by Fraser Companies in New Brunswick.

4. The cost varies considerably with plant location and other factors.

5. Persistent offenders are being given deadlines for clean up.

6. Curventon fence salmon counts were 1,045 in 1968 and 2,493 in 1969.

ISSUANCE OF PASSPORTS—1970

Question No. 923—**Mr. Kaplan:**

1. How many passports is the government expecting to issue from April to September inclusive, in 1970?

2. What arrangements have been made or are being made to assure prompt issuance of such passports?

Hon. Mitchell Sharp (Secretary of State for External Affairs): 1. 260,000.

2. The Passport Office continuing staff at Ottawa has been increased by 55 over January 1969 and is better trained and more experienced. This staff has been supplemented since January 2, 1970 by 30 short-term employees who are being trained; a further 32 part-time employees (students) are being trained and will be on call should the need arise for extra staff to deal with the peak volume of applications during the spring months.

In addition, Regional Passport Offices are being opened within the next four weeks in Montreal, Toronto and Vancouver to deal with urgent passport requirements, to assist travellers having difficulty in the completion of their applications, and to provide advice on problem cases. (Mailed applications will continue to be directed to Ottawa.)

By means of public advertising, the Passport Office has been advising prospective travellers to apply for their passports well before departure dates, also reminding them to enclose documentary evidence of citizenship and to exercise care in completing their applications because of the high error rate, representing one-third of all those received. It is these applications that create delays in passport service.

INCENTIVES GRANTS—HIGNELL PRINTING LIMITED

Question No. 941—**Mr. Burton:**

1. Has the Department of Regional Economic Expansion, under the Regional Incentives Act, authorized or provided an incentive grant to "Hignell Printing Limited" and, if so, what is the amount of the grant?

2. What is the total estimated cost of the project for which the grant was provided, and what is the nature of the project and its location?

3. Who are the directors and chief executive officers of "Hignell Printing Limited" and what is the address of each?

4. To what extent is this company non-resident or foreign-owned or controlled?

5. What is the name and country of the known non-resident ownership in this company?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): I am informed by the Department of Regional Economic Expansion and the Department of Industry, Trade and Commerce as follows: 1. and 2. This information was contained in the monthly report, tabled in Parliament on the operation of the Regional Development Act.

3. As of December 31, 1968, the directors and executive officers of Hignell Printing Limited are: V. R. Hignell, President and Director, 429 Bower Blvd. Winnipeg 10, Manitoba; Grace Hignell, Vice-President and Director, 429 Bower Blvd., Winnipeg 10, Manitoba; J. R. Hignell, Secretary-Treasurer and Director, 456 Queenston St., Winnipeg 10, Manitoba; G. B. Glover, Director, 129 Claremont, Winnipeg, Manitoba.

4. None.

5. None.

CONSUMER INFORMATION PUBLICATIONS

Question No. 956—**Mr. Monteith:**

1. How many publications similar to and including "Canada Standard Sizes for Children's Clothing" and "How Do I Buy and Judge Shoes" have been published by the Department of Consumer and Corporate Affairs during the last six months and what were the titles?

2. What was the cost of preparation and printing of these publications?

3. What was the cost of distribution of these same publications?

4. How was the distribution list determined and who had the responsibility for determining this particular list?

5. What was the reason for the publication and distribution of each issue?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): 1. Four Consumer Communiqués: Now... Standard Sizes for Children's Clothing. Unsolicited Mail. Christmas: A Blaze of Light—Not a Blaze. How do I Buy and Judge Shoes.

2. Approximately $4,500.

3. $1,040.

4. The distribution list was compiled from: (a) List of all media contacts. (b) List of representatives of consumer groups, trade associations, libraries, educational institutions, voluntary organizations, etc. (c) Individual requests from the public.

Responsibility for determination of the distribution list is divided between the Information and Public Relations Branch and the Consumer Service and Information Branch.

5. "Now... Standard Sizes for Children's Clothing". Production of a Consumer Communiqué was one facet of a publicity program on Canadian Standard Sizes.

"Unsolicited Mail". As a result of numerous complaints and enquiries reaching "The Consumer, Box 99, Ottawa".

"Christmas: A Blaze of Light—Not a Blaze". In view of the extensive use being made of decorative lights and the safety factor involved, this was an appropriate topic for the Christmas season.

"How Do I Buy and Judge Shoes". Published as a result of many complaints and enquiries, relative to footwear that reached "The Consumer, Box 99, Ottawa".

TOBACCO EXPERIMENTAL FARM—DELHI, ONTARIO

Question No. 962—**Mr. Buchanan:**

1. Has the Department of National Health and Welfare consulted with the Department of Agricul-

ture on the use of government facilities, particularly the tobacco experimental farm at Delhi, Ontario, for research into the development of hybrid tobacco plants that might yield cigarette leaf having less of the constituents associated with health hazards involved in cigarette smoking—in other words, safer cigarettes?

2. Has the Department of Agriculture issued a directive to the Delhi Tobacco Experimental Farm to pursue lines of research leading to such tobacco?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): I am informed by the Departments of National Health and Welfare and Agriculture as follows: 1. Yes.

2. The terms of reference of the Delhi Research Station include the breeding of varieties and development of cultural practices for the production of tobacco to meet industry or government requirements as they are indicated.

POPULATION OF CANADIAN PROVINCES

Question No. 976—**Mr. Mather:**

What, by province, is the population of the Canadian provinces minus the ten largest-populated Canadian urban areas?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): The Dominion Bureau of Statistics reports that: The latest available estimates of the population by provinces are as of October 1, 1969. However, the most recent estimates for the 10 largest urban, or metropolitan, areas are as of June 1, 1968. Thus, the latter estimates must be used to deduct metropolitan area totals from provincial totals for the same date, and are shown in the attached table.

Province	Province totals October 1, 1969	Province totals June 1, 1968	10 largest Metropolitan areas June 1, 1968	(2) minus (3)
	(1)	(2)	(3)	(4)
Nfld.	515,000	507,000	—	507,000
P.E.I.	110,000	110,000	—	110,000
N.S.	764,000	760,000	—	760,000
N.B.	626,000	624,000	—	624,000
Que.	6,002,000	5,927,000	3,051,000[a]	2,876,000
Ont.	7,518,000	7,306,000	3,389,000[b]	3,917,000
Man.	979,000	971,000	523,000[c]	448,000
Sask.	956,000	960,000	—	960,000
Alta.	1,573,000	1,526,000	786,000[d]	740,000
B.C.	2,089,000	2,007,000	955,000[e]	1,052,000

[a]Census Metropolitan Areas of Montreal, Quebec, and that part of the Ottawa-Hull Metropolitan Area in the Province of Quebec.
[b]Census Metropolitan Areas of Toronto, Hamilton, London and that part of the Ottawa-Hull Metropolitan Area in the Province of Ontario.
[c]Census Metropolitan Area of Winnipeg.
[d]Census Metropolitan Areas of Calgary and Edmonton.
[e]Census Metropolitan Area of Vancouver.

P.E.I.—MONEYS REQUIRED UNDER DEVELOPMENT PLAN, 1970-71

Question No. 977—**Mr. McQuaid:**

1. Has a proposed budget been submitted by the Province of Prince Edward Island to the Government of Canada with respect to monies required for the fiscal year 1970-71 under the Development Plan?

2. What are the details proposed in the budget submitted by the Province?

3. Has the whole or any part of this proposed budget been approved by the federal government and, if so, what are the details of the projects approved?

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): 1. No, but it is expected shortly.

[Mr. Buchanan.]

2 and 3. Not applicable.

CALGARY, ALTA.—TRUSTEES IN BANKRUPTCY

Question No. 981—**Mr. Mahoney:**

1. As at January 1, 1970 (a) what were the names and addresses of the persons licensed as trustees in bankruptcy for the bankruptcy district or division in which Calgary, Alberta, is situated (b) how many bankrupt estates was each trustee administering (c) on what date had each last been appointed trustee of a bankrupt state?

2. During each of the years 1967, 1968 and 1969, for the said district or division (a) how many trustees in bankruptcy renewed their licenses (b) how many did not renew their licenses (c) how many applications for new licenses were submitted (d) how many applications for new licenses were granted?

Questions

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): 1. (a), (b), (c).

Name—Address	Number of estates under administration	Date last appointed trustee
Barclay, Harold J. 600-6th Avenue South West, Calgary	—	—
Biddell, J. L. 850 Elveden House, Calgary	2	6.4.68
Burton, A. G. Commerce Building, 309-8th Avenue S.W., Calgary	—	—
Canadian Credit Men's Association Ltd. 121-11th Avenue S.W., Calgary	—	14.5.64
City Savings and Trust Company, McLeod Building, Calgary	1	28.1.65
Crown Trust Company Calgary	1	30.9.65
Davis, E. A. 290 Bentall Building, Calgary	64	9.12.69
Devonshire, M. S. 720-7th Avenue South West, Calgary	1	26.7.61
Donaldson, G. B. 850 Elveden House, Calgary	1	8.3.60
Fowler, J. C. 600-6th Avenue South West, Calgary	56	14.7.69
Freedman, W. A. 1120-IBM Bldg., 606-4th Street S.W., Calgary	19	24.10.69
Graves, M. G. 850 Elveden House, Calgary	—	23.1.63
Guaranty Trust Company of Canada Calgary	2	5.11.65
Hudson, B. L. 600 Hollingsworth Bldg., 301-8th Ave. S.W., Calgary	9	10.12.69
Hutchison, J. G. 309-8th Avenue South West, Calgary	3	10.12.69
Miller, J. C. 625 Second Street South East, Medicine Hat	4	26.9.63

Questions

Name—Address	Number of estates under administration	Date last appointed trustee
Morrison, V. C. Room 300, 330-9th Avenue South West, Calgary	5	19.12.69
Nash, W. R. H. 640-8th Avenue South West, Calgary	1	18.4.63
Ross, D. A. 209-8th Avenue South West, Calgary	1	2.12.63
Whitehead, R. J. 1200 Guinness House, Calgary	1	21.10.66
Yeoman, D. R. 508-15th Avenue South West, Calgary	5	23.12.69

2. (a) Licences renewed in 1967	19
Licences renewed in 1968	21
Licences renewed in 1969	21
(b) Licences not renewed in 1967	Nil
Licences not renewed in 1968	1
Licences not renewed in 1969	2
(c) No. of Applications for New Licences in 1967	1
No. of Applications for New Licences in 1968	6
No. of Applications for New Licences in 1969	Nil
(d) No. of Licences Granted in 1967	Nil
No. of Licences Granted in 1968	Nil
No. of Licences Granted in 1969	1

FROZEN RAINBOW TROUT IMPORTS

Question No. 983—**Mr. Harding:**

For the years 1965, 1966, 1967, 1968 and 1969 (a) how many pounds of frozen rainbow trout were imported into Canada (b) from what countries were they imported (c) what was the amount and the value of the imports from each country?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): The Dominion Bureau of Statistics reports: No information is available on imports into Canada of frozen rainbow trout. In compiling statistics on imports of trout, no distinction is made between rainbow trout or other types of trout, or between fresh or frozen trout.

Statistics available on imports of trout, fresh or frozen, are given in the attached table.

Imports of Trout, fresh or frozen, by country, for the years 1965 to November 1969

Year	Denmark		Japan		United States		Total	
	Lb.	$'000	Lb.	$'000	Lb.	$'000	Lb.	$'000
1965	6,390	307	4,313	187	775	37	11,478	531
1966	2,918	166	3,987	174	557	35	7,462	375
1967	5,744	327	3,712	189	548	33	10,004	549
1968	5,461	300	5,504	261	947	62	11,912	623
1969 (Jan.-Nov.)	2,949	217	3,972	184	910	67	7,831	468

INDIAN RESERVE COMMUNITY PASTURES, SASKATCHEWAN AND ALBERTA

Question No. 1,031—**Mr. Burton:**

1. What is the location, size, authorized expenditure for land improvements and carrying capacity of each of the community pastures on Indian Reserves in Saskatchewan and Alberta commenced since 1963?

2. Which of these pastures are now complete and in operation?

3. What is the location, size, estimated cost for improvements and carrying capacity of each of the eight additional pastures for which agreements have now been signed with Indian bands?

4. How many lease agreements were in effect in 1969 on each of the pastures in operation and how many of the leases for each pasture were held by members of Indian bands?

5. What was the name, address and location of each lease holder in 1969 who was not a member of an Indian band and how many cattle were pastured under the terms of each such lease?

6. How many leases have been signed, to date, for each pasture which will be in operation in 1970 and how many of the leases for each pasture are held by members of an Indian band?

7. What is the name, address, location and number of cattle to be pastured in 1970 for each lease held by a person who is not a member of an Indian band?

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion):

1.

Name of Pasture and Location	Size (acres)	Authorized Expenditure* $	Carrying Capacity (Animal Units)
Cowessess-Sakimay, Grenfell, Sask.	13,117	100,700	2,000
Ochapawace-Kahkewistahaw, Whitewood, Sask.	27,271	149,600	3,000
James Smith, Kinistino, Sask.	5,584	184,500	1,500
Chagoness, Chagoness, Sask.	5,813	186,000	1,800
White Bear, Carlyle, Sask.	9,600	265,000	2,500
Touchwood, Punnichy, Sask.	16,000	260,000	3,000
Thunderchild, Turtleford, Sask.	8,610	278,000	2,000
Louis Bull-Ermineskin, Hobbema, Alberta.	4,370	233,050	3,000
Alexander, Edmonton area	6,300	176,000	2,000
Alexis, Edmonton area	5,380	164,000	1,500
Bushe River, High Level, Alta.	17,280	250,000	3,000

*Authorized Expenditure is total cost which includes fencing, buildings, as well as land improvement costs such as clearing and land preparation.

2. Indian Reserve Pastures now in operation: Cowessess-Sakimay, Ochapowace-Kahkewistahaw, James Smith, Chagoness, White Bear, Touchwood and Louis-Bull-Erminskin.

3.

Name of Pasture and Location	Size (acres)	Estimated Cost $	Carrying Capacity (Animal Units)
Waterhen, Meadow Lake, Sask	3,936	185,000	1,800
Frog Lake, St. Paul, Alta.	18,209	362,000	3,400
Sarcee, Calgary, Alta.	5,440	150,000	1,800
Stony, Morley, Alta.	8,860	260,000	2,000

Four pastures authorized in 1969 are included in 1. above: Thunderchild, Alexander, Alexis and Busche River.

4. No leases are held by individuals within a PFRA community pasture.

5, 6 and 7. Not applicable.

Questions

UNIVERSITY EDUCATION FOR DEFENCE PERSONNEL

Question No. 1,057—**Mr. Burton:**

1. In the past five years, what plans have been used by the Department of National Defence to provide university education for its personnel or prospective personnel?

2. In each of the past five years, what has been the enrolment in each of the above plans?

3. In each of the past five years, how many students were enrolled in each of the Department of National Defence's military colleges?

4. How many students have dropped out of each of the above plans before completion in each of the past five years?

5. How many students dropped out of each DND military college in each of the past five years?

Mr. D. W. Groos (Parliamentary Secretary to Minister of National Defence): 1. The various schemes used by the Canadian Forces to provide university education for its personnel, or prospective personnel are as follows: *Regular Officer Training Plan (ROTP); University Training Plan Men (UTPM); Medical Officer Training Plan (MOTP); Dental Officer Training Plan (DOTP); University Training Plan Officers (UTPO).

*This includes students attending Canadian Military Colleges.

2. Year	ROTP	UTPM	DOTP	MOTP	UTPO
1965–66	631	41	13	54	NIL
1966–67	641	38	40	50	16
1967–68	574	75	20	63	33
1968–69	667	27	10	65	28
1969–70	488	44	20	39	26

3. Year	RMC	CMR	RRMC		
1965–66	86	186	125	—	—
1966–67	96	178	131	—	—
1967–68	97	190	134	—	—
1968–69	108	189	127	—	—
1969–70	106	201	130	—	—

4. Year	ROTP	UTPM	DOTP	MOTP	UTPO
1965	343	7	7	8	NIL
1966	325	8	5	2	"
1967	309	14	4	8	"
1968	340	8	2	1	"
1969	72	NIL	NIL	NIL	"

5. Year of Intake	Year of Release														
	1965–66			1966–67			1967–68			1968–69			1969–70		
	RMC	CMR	RRMC	RMC	CMR	RRMC	RMC	CMR	RRMC	RMC	CMR	RRMC	RMC	CMR	RRMC
1965–66.....	14	78	43	8	25	14	5	18	1		4	3			
1966–67.....				18	75	43	5	36	15	6	7	3		1	
1967–68.....							36	80	48	4	39	20			
1968–69.....										57	99	60		2	2
1969–70.....													14	18	40

Questions

CONSTRUCTION BUILDING, ETC.—ROCK CRUSHERS—GREAT WHALE RIVER

Question No. 1,062—**Mr. Laprise:**

Did the government install a rock-crusher at Great Whale River and, if so (a) on what date (b) how much did it cost (c) what use has been made of it?

[*Translation*]

Mr. D. W. Groos (Parliamentary Secretary to Minister of National Defence): In 1956 a rock crusher was taken into Great Whale River by the Fraser Brace Construction Company on an airstrip and road construction contract for National Defence. As this equipment was owned by the contractor there is no record in the department regarding its disposal on completion of the contract.

[*English*]

RCMP—AVAILABILITY OF INFORMATION FILES

Question No. 1,067—**Mr. Nystrom:**

1. To what persons, corporations or agencies are RCMP files on criminals and non-criminal activities of individuals made available and under what circumstances in each case?

2. What restrictions are put on the use of this information by those to whom it is made available?

Hon. G. J. McIlraith (Solicitor General): 1. RCMP files as such are not made available to anyone, but information on criminal and non-criminal activities is made available to accredited police forces in Canada and the United States, and to Federal and Provincial Government departments when applicable.

2. Where applicable, the following restriction is placed on information furnished to recipients outside the RCMP: "Property of R.C.M.P.—This police report is supplied to you by the R.C.M. Police for information of your Department only. It is not to be made known to any other Agency or person without the written permission of the R.C.M.P."

OCCUPATIONAL TRAINING PROVIDED TO INDIANS

Question No. 1,097—**Mr. Orlikow:**

1. How many Indians in each province took courses under the provisions of the Manpower Training Act in each month in the years 1967, 1968 and 1969?

2. How many Indians in each province took courses under the provisions of the Technical-Vocational Training Act in each month in the years 1967, 1968 and 1969?

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): The Department of Manpower and Immigration does not categorize trainees by ethnic group, therefore, it does not know how many Indians were trained during the years referred to in the question.

DESIGNATED INCENTIVE AREA SCHEME—ADVERTISING

Question No. 1,101—**Mr. Burton:**

1. Since the proclamation of the Designated Incentive Area Scheme under the Department of Regional Economic Expansion, how much money has been spent on advertising this program (a) on radio (b) on television (c) in newspapers?

2. What newspapers have carried advertisements from the Department on this new program and on what specific dates?

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): 1. (a) Nil. (b) Nil. (c) $64,130.22.

2. Canada Commerce (Special Edition—October 1969). Financial Times (December 8, 1969)—(January 14, 1970). Financial Post (November 8, 1969). Le Devoir, Montreal (November 10, 1969)—(December 30, 1969). The Gazette, Montreal (November 10, 1969). Montréal-Matin (November 10, 1969). La Presse, Montreal (November 10, 1969)—(January 24, 1970). The Star, Montreal (November 10, 1969). Canadian Hardware (December 1969—January 1970). Hardware Merchandising (February 1970). Toronto Star (February 9, 1970). Toronto Telegram (February 9, 1970). Toronto Globe and Mail (January 6, 1970)—(February 7, 1970). The Boston Globe (September 14-17, 1969)—(February 1970). New York Times (December 1, 1969)—(January 26, 1970)—(Feb. 1970). Wall Street Journal (December 1, 1969); Southwest Edition (January 19, 1970), National Edition (February 1970), Eastern Edition (February 1970). Houston Chronicle (January 18, 1970). Houston Post (January 18, 1970). Québec Industriel (February 1970). Canadian Plastics (February 1970). Heating, Plumbing, Air Conditioning (January 12, 1970). Home Goods Retailing (January 11, 1970). Canadian Electronic Engineering (January 1970). Electrical News and Engineering (January 1970). Commerce (Annual Edition—February 1970). Les Affaires (January 19, 1970). Dimanche-Matin, Montreal (January 11, 1970).

DEPARTMENT OF NATIONAL REVENUE—DELINQUENT TAXES

Question No. 1,129—**Mr. Mather:**

1. What is the total, in dollars, of delinquent taxes owed to the Department of National Revenue by individuals and corporations?

2. What is the amount in dollars of the interest owed for 1968 and 1969 on deliquent taxes?

Hon. Jean-Pierre Côté (Minister of National Revenue): For Taxation Division: 1. As of March 31, 1969, the amounts owed by individuals for income tax were $147,704,235. collectible, and $8,872,024. uncollectible. The amounts owed by corporations at the same date were $92,306,912. collectible, and $3,729,340. uncollectible. (Source: Public Accounts of Canada).

2. Not available. Any amounts of interest are included with the taxes owed but are not segregated until paid.

For Customs and Excise:

1. Sales tax outstanding as of January 15, 1970—$14,194,390.99.

2. Penalty outstanding as of January 15, 1970—$1,450,702.47. (Penalty interest not necessarily only for 1968-69).

AGRICULTURE—STORAGE OF DAIRY BUTTER

Question No. 1,140—**Mr. Southam:**

1. Is imported dairy butter presently held in storage in Canada and, if so, what quantities are held?

2. How many pounds of dairy butter was imported from New Zealand in 1968?

3. Where was this butter stored in Canada?

4. Who were the plant owners?

5. What was the total cost to the Federal Treasury or, indirectly, the Canadian Dairy Commission for storing this butter?

Hon. H. A. Olson (Minister of Agriculture): 1. No.

2. 2,688,000 pounds.

3. Abbotsford, B.C.; Alix, Alberta; Edmonton, Alberta and Calgary, Alberta.

4. Valley Freezers, Abbotsford, B.C. Central Alberta Dairy Pool, Alix, Alberta; Northern Alberta Dairy Pool, Edmonton, Alberta; Trans-Canada Freezers, Calgary, Alberta.

5. $21,806.58.

SUBSIDY TO POULTRY PRODUCERS

Question No. 1,145—**Mr. Robinson:**

What was the total subsidy paid to poultry producers during each year 1960 to 1969 inclusive?

Hon. H. A. Olson (Minister of Agriculture): Deficiency Payments Paid to Egg Producers by Agricultural Stabilization Board.

For Egg Year (Oct. 1 to Sept. 30)

1959-60	$2,090,608
1960-61	nil
1961-62	637,663
1962-63	nil
1963-64	986,347
1964-65	2,010,519
1966-67	nil
1967-68	141,774
1968-69	nil

LEGISLATION TO ABOLISH "LOSS LEADER" SELLING

Question No. 1,159—**Mr. Robinson:**

Will the federal government consider the advisability of providing legislation to abolish "loss leader" selling so that those utilizing such a selling method will provide better service and more consideration for the consumer?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Careful attention will be given to this proposal in the preparation of amendments to the Combines Investigation Act which are presently being considered.

REGIONAL DEVELOPMENT INCENTIVES APPLICATIONS, ATLANTIC PROVINCES

Question No. 1,211—**Mr. Coates:**

1. How many applications have been received by the Department of Regional Economic Expansion under the Regional Development Incentives Act from the Atlantic Provinces since June 27, 1969, and of the total number received (a) how many have been approved (b) how many rejected (c) how many are still under consideration?

2. (a) Of the number approved and rejected, what is the breakdown by province (b) of those approved, what are the names of the individuals or firms who have received the assistance?

3. Of the applications approved (a) how many were involved with the expansion of existing facilities (b) how many involved the construction of new industries?

Hon. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): This information was contained in the reports respecting the Administration of the Regional Development Incentives Act tabled on October 27, 1969, December 4, 1969, and January 12, 1970.

CANADIAN FORCES SUPERANNUATION ACT —STATUS OF SERVICE IN NEWFOUNDLAND FORCES

Question No. 1,213—**Mr. Marshall:**

Is service in Newfoundland Military Forces, prior to 1949, considered to be qualifying service for CFSA purposes under section 38 Chapter 1 of the Terms of Union with Canada?

Inquiries of the Ministry

Mr. D. W. Groos (Parliamentary Secretary to Minister of National Defence): Service in the Newfoundland military forces prior to 1949 is qualifying service for Canadian Forces Superannuation Act purposes under section 5(b)(ii)(E) thereof, that is, wartime service in the naval, army or air forces of Her Majesty other than those raised by Canada.

QUESTION PASSED AS ORDER FOR RETURN

PUBLIC SERVICE—RETIREMENTS, DISMISSALS, LAY-OFFS

Question No. 30—**Mr. Howard (Skeena):**

What is the number of employees from each department and Crown corporation of the public service of Canada who (a) resigned before normal retirement (b) retired (c) were dismissed (d) were laid off, for each of the last five years?

Return tabled.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, may I ask the Government House Leader or the Minister of Public Works when I may expect an answer to my starred question No. 1,041?

Mr. Speaker: Order, please. I am not sure whether the President of the Privy Council will reply to the question asked by the hon. member for Winnipeg North Centre.

Mr. Macdonald (Rosedale): I will have to make an inquiry on that point, Mr. Speaker.

Mr. Knowles (Winnipeg North Centre): What was the Minister of Public Works getting up to say?

Mr. Laing: Mr. Speaker, the Minister of Public Works was going to say, I hope sooner than it has taken him to find the question.

ORAL QUESTION PERIOD

AIR TRANSPORT

SAFETY REGULATIONS TO PROTECT AIRLINE PASSENGERS—AMENDMENTS TO CRIMINAL CODE RESPECTING HIJACKING

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to direct a question to the Acting Prime Minister. I am sure today we will be able to get direct answers to our questions. My question relates to the increasing international concern over the vulnerability of airliners to sabotage. This perhaps comes into the area of immediate concern of the Solicitor General. In any event I should like to ask the minister whether the Government is taking steps to improve safety regulations with a view to increasing the protection for civilian passengers using the airlines?

[Mr. Marshall.]

Hon. G. J. McIlraith (Acting Prime Minister): Mr. Speaker, I regret to disappoint the Leader of the Opposition, but my colleague the President of the Privy Council should perhaps deal with the question.

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, the Canadian government shares with other governments a feeling of strong condemnation for these acts of sabotage and violence aboard international airliners. The representatives of Canada at the deliberations of the International Civil Aviation Organization in Montreal, at meetings which will occur later this week on this question, will be pressing some proposals with regard to means to try to cut down on problems of unlawful interference with civil air transport. We will also make clear that the position taken by the government of Canada is one of strong condemnation for acts of the kind which so regrettably occurred over the week-end.

Mr. Stanfield: Mr. Speaker, we take for granted that the government is concerned about this matter, as about nearly everything else, but would the minister consider at an early date making a statement in the House concerning what measures, if any, the government of Canada proposes to take in this regard and what proposals it intends to make in the way of suggestions to other countries?

Mr. Macdonald (Rosedale): Yes, I will be prepared to pass on this suggestion. The Leader of the Opposition will recognize, of course, that any measures to be taken would have to be taken in concert with the international community generally rather than locally and alone.

Mr. R. Gordon L. Fairweather (Fundy-Royal): Mr. Speaker, I have a supplementary question. What diplomatic activity is Canada engaged in now, other than through ICAO, to condemn this wanton killing as a result of the crash of the Swissair jet?

Mr. Macdonald (Rosedale): Mr. Speaker, as the Leader of the Opposition has stated, the government of Canada has made perfectly clear to all governments in the international community our condemnation of this particu-

lar action. It seems that any particular representations beyond those to which I have already referred within the framework of the international organization responsible would not be necessary.

Mr. Speaker: Has the right hon. member for Prince Albert a supplementary?

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, I should like to ask the Minister of Justice whether or not the government has given consideration to bringing in amendments to the Criminal Code, which in reality is air piracy, to bring hijacking within the provisions respecting piracy as they now prevail?

Hon. John N. Turner (Minister of Justice): Mr. Speaker, I did have certain discussions with the Minister of Transport about this some time ago. It may be that the present provisions of the Criminal Code are inadequate. There is also a question of jurisdiction. Other than that I cannot say anything more at the moment.

Mr. Diefenbaker: Is the matter receiving consideration now? Is Canada going to take a lead in this direction and make piracy something more than the outdoor sport it is becoming today?

Mr. Speaker: Order. The hon. member for Esquimalt-Saanich.

Mr. David Anderson (Esquimalt-Saanich): I have a supplementary, Mr. Speaker. In view of this most regrettable incident, will the President of the Privy Council assure the House that when the Prime Minister of Canada travels to the Far East he will do so on a Canadian government aircraft and not by other means?

Mr. Macdonald (Rosedale): I am certain, Mr. Speaker, that that observation will be taken note of on all sides and particularly in the editorial offices of the *Globe and Mail.*

Mr. Stanfield: Mr. Speaker, now that the safety of the Prime Minister has been taken care of, perhaps the President of the Privy Council would agree that it is not necessary for Canada to wait for international agreement in order to take effective action at least to protect people leaving Canada. Perhaps he would tell the House at an early date what measures Canada is prepared to take in this regard without passing the whole buck to international arrangements—

Mr. Speaker: Order, please. The Leader of the Opposition is inviting the minister responsible to make a statement. The suggestion has already been made a moment ago.

INDIAN AFFAIRS

NORTHERN SASKATCHEWAN—ALLEGED STARVATION AMONG MÉTIS

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I direct this question to the Minister of National Health and Welfare. With regard to the team which visited some Métis communities in northern Saskatchewan over the past few days and in view of the fact that the Minister without Portfolio from Saskatchewan told the House last Thursday that the conditions among the Métis people had been first drawn to his attention by Dr. Howard Adams, the president of the Saskatchewan Métis Association, early in January, I should like to ask the Minister of National Health and Welfare when his colleague informed him about the conditions among the Métis—

Mr. Speaker: Order, please. I have reservations about a question of this nature in which the hon. member simply asks the minister when he has had a communication from another minister. Perhaps the question might be rephrased to invite a response from the minister.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I should like to ask the minister when the conditions among the Métis people were first drawn to his attention, and did he know in January that there was privation among the Métis? If so, why has no action been taken until now?

Hon. John C. Munro (Minister of National Health and Welfare): Mr. Speaker, it is only lately—I am referring to the latter part of last week—that I was made aware of serious charges of starvation. At that time I felt, even though one could state quite unequivocally that in terms of welfare the Métis are the responsibility of the province, that perhaps emergency welfare was in order. It was for that reason that the team was sent to Saskatchewan to meet the provincial officials to determine whether starvation was involved. After meeting the provincial officials and the leaders of the Métis communities themselves, it was ascertained that there was no starvation in the communities which our team visited.

Inquiries of the Ministry

Mrs. Grace MacInnis (Vancouver-Kingsway): I have a supplementary question, Mr. Speaker. In view of the departure for Europe of a 19-member trade mission concerned with finding wider markets for Canadian dairy products, will the Minister of National Health and Welfare examine the feasibility of initiating a program to supplement the diets of Métis families in northern Saskatchewan with Canadian dairy products?

Mr. Munro: Again I think it would be in order for me to bring this suggestion to the attention of the provincial authorities, and I am prepared to do so.

NORTHERN ALBERTA—PAYMENT BY FEDERAL GOVERNMENT OF MEDICARE PREMIUMS

Mr. G. W. Baldwin (Peace River): Will the minister advise his colleague, the Minister of Indian Affairs and Northern Development, of the very serious situation he found in northern Alberta with regard to the Indians and of the assertion by the Indian people that their rights under the so-called "medicine chest" clause in the treaties entitle them to the payment by the federal government of their medicare premiums?

Hon. John C. Munro (Minister of National Health and Welfare): As I think the hon. member should know from studying my recent trip, the discussions I had principally concerned the Indian health question which involved my department, and many of the problems raised by the Indians are being investigated to see whether we can follow them.

ACTION TO CORRECT HOUSING AND HEALTH CONDITIONS

Mr. A. P. Gleave (Saskatoon-Biggar): May I ask the Minister of National Health and Welfare what action is proposed by that department or jointly with the provincial authorities to correct the conditions which are described as including poor housing, respiratory diseases and gastro-enteritis?

Hon. John C. Munro (Minister of National Health and Welfare): I think the provincial officials are well aware of some of these conditions, and under the provisions of the Canada Assistance Plan there is latitude for appropriate action to be taken. I believe it is being and will be taken.

[Mr. Munro.]

[*Translation*]

AGRICULTURE

DAIRYING—POLICY RESPECTING GRANTS

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, I have a question for the Minister of Agriculture.

Will he ascertain the assumption of his colleague the Minister of Industry, Trade and Commerce to the effect that the $10 million cut in subsidies to dairy producers could be used as compensation payments to those who do not promote overproduction?

[*English*]

Hon. H. A. Olson (Minister of Agriculture): Yes, Mr. Speaker, all of these things are under consideration.

Hon. George Hees (Prince Edward-Hastings): Is it the intention of the government to accede to the recommendation of the Standing Committee on Agriculture that the government not withdraw the $10 million from the milk subsidy which it has stated it intends to withdraw?

Mr. Speaker: Order. Hon. members will remember that we spent quite a few hours on that very subject last Thursday from early afternoon until late in the evening. I have the impression that this question was asked, although I am not sure whether an appropriate response was forthcoming. However, the question was asked at the time.

Mr. Hees: I rise on a point of order, Mr. Speaker. I have searched the records diligently, and although the question has been asked the minister has never deigned to answer it. I am asking him on behalf of the milk producers of Canada if he would answer the question now.

Mr. Olson: Mr. Speaker, as far as the recommendations of the standing committee are concerned, if the hon. member will look over the list he will note that there are many useful suggestions, and we are taking them under consideration.

Mr. Hees: On a point of order, Mr. Speaker, this type of answer, where the minister refuses to answer the question, takes up too much time of the House. Do you intend to withdraw the $10 million in subsidies or not? Yes or no? Speak up like a man, if you can.

Mr. Speaker: Order.

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, I have a supplementary question for the minister. Did the minister give his approval to the Chairman of the Dairy Commission to state a policy decision relating to dairying prior to concurrence in the report of the Standing Committee on Agriculture?

Mr. Olson: No, Mr. Speaker, but the Chairman of the Dairy Commission is free to express his own opinion without getting approval from the minister.

Mr. Korchinski: Then, Mr. Speaker, I rise on a question of privilege. My question of privilege is simply that the government is practising deceit not only on Members of Parliament but also on the public generally.

I point out that the Standing Committee on Agriculture was empowered to make a study of the dairy question and report back to the House prior to February 17. While the committee was in the process of studying the matter prior to making recommendations, suggestions were received from the Maritimes and from western Canada to the effect that a policy be devised taking into account regional differences. This recommendation became part of the final report of the committee. However, before the report was even drafted a decision apparently had already been reached by the government. I say this because the Chairman of the Dairy Commission addressed the Saskatchewan Dairy Association in Saskatoon on February 12 and is reported as having stated: "None of our operations are on a regional basis and none are likely to be."

A question of privilege arises since apparently Members of Parliament are being deceived, along with members of the public, when they are led to believe that their recommendations and suggestions, which are made at great expense not only to those participating in the committee hearings but also to the taxpayers generally who have to pay for the cost of committee hearings and for the reporting and printing of their proceedings, will be considered. I point out also that there is evidence that recommendations of the Indian Affairs Committee and the Transport Committee have not been listened to and what is more important, decisions are made which should not be made until the standing committees have presented their recommendations. This should not be the case. Therefore I move:

That the Committee on Procedure and Organization be empowered to look into the whole question of the value of committee work, and report back on the advisability of continuing it in its present form.

Some hon. Members: Hear, hear.

Mr. Olson: Mr. Speaker—

Mr. Speaker: Order, please. Before I recognize the minister I wish to say that there can only be a debate and a vote and referral to a committee if the Chair recognizes that there is a prima facie case of privilege. In a moment I will allow the minister to say a word to the extent that he himself, or a statement on his part, was involved in the question raised by the hon. member for Mackenzie. I trust that the minister's contribution will be brief. After this is done, I will be in a position to indicate to hon. members whether I believe there is a prima facie case of privilege or not.

Mr. Olson: Very briefly, Mr. Speaker, there has been no breach of the privileges of this House because the statement that was made is one I have made dozens of times not only over the past few weeks but over the past few months, that we do not administer the policies of the Canadian Dairy Commission on a regional basis but that a uniform policy is applied all across Canada. Therefore there was absolutely no breach of the privileges of the House. May I also say that the words that the hon. member used, that the House has been deceived, are in my view offensive, and I think the hon. member ought to be made to withdraw them.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please. I do not think the matter should at this point be pursued further. I have to disagree with the minister with respect to his comment about the House in general being deceived. I would not think that this is unparliamentary in the sense that it should be withdrawn. I cannot agree with this suggestion on the part of the minister.

Returning to the proposed motion of the hon. member, again I have grave doubts whether this is a proper question of privilege. The very question of the operations of our committees has been raised on a number of occasions in recent weeks. The hon. member for St. John's East raised it very forcefully and ably some weeks ago. The hon. member for Sainte-Marie did the same, I believe. The

hon. member for Crowfoot also raised the matter. The hon. member for Mackenzie does it again this afternoon.

My thought in the past, and I do not see how I can change my view at this time, was that this was not really a question of privilege but perhaps more essentially a grievance against a system or, if hon. members want, against the government. The motion proposed by the hon. member is really not a motion of privilege but rather a substantive motion. He is proposing that the whole question of the operations of the committee system be studied by a standing committee of the House. There may be some justification for this.

I have in the past volunteered my assistance to bring hon. members' grievances, or a particular grievance, to the attention of the representatives of the different parties on that committee, I would be very pleased to do so again. If there appears to be dissatisfaction on the part of some hon. members with the way the system has been working, I would consider it my duty to bring this to the attention of the chairman of that committee and the other members of the committee. I undertake at this time to do so, but I really do not think that the matter can be submitted to the committee by way of a question of privilege.

Mr. Macdonald (Rosedale): On a point of order, Mr. Speaker, in addition to the words referred to by my colleague, the Minister of Agriculture, the hon. member also said twice that the government had practised deceit on the House. May I suggest that the suggestion that any member or any group of members has practised deceit on the House is not a parliamentary expression. It imputes motives to a member or group of members and should not be allowed to stand on the record.

Mr. Speaker: Order, please. I would suggest to the President of the Privy Council that the suggestion that there has been deception practised by an hon. member, by a group of members, by a party or by the government, is unparliamentary only if it is a suggestion that there has been wilful deception. There is no question whatsoever that this is the way the rules and precedents have to be interpreted. It is not my understanding that the hon. member has made his submission on this basis, and to the extent that there has been no suggestion of misrepresentation or wilful deceit on the part of an hon. member, I would not think that the matter can be proceeded with and pursued further.

[Mr. Speaker.]

THE CANADIAN ECONOMY

INFLATION—PRICES AND INCOMES COMMISSION ADVERTISING CAMPAIGN

Mr. David Lewis (York South): Mr. Speaker, I have a question upon which the minister would not want, wilfully or otherwise, to deceive the House. May I ask the Minister of Consumer and Corporate Affairs whether the proposal of the Prices and Incomes Commission to indulge in an advertising campaign has his approval, whether his department has been shown the advertisements which the commission is to put in newspapers, and whether their contents have received his approval?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, originally one of the purposes of the commission, as spelled out in the white paper on price stability, was a public education campaign. I have submitted to Treasury Board an application to approve such a campaign. I have not seen the copy, and with an independent commission I do not think it would be quite proper for me to be in a position of approving or disapproving any advertising copy.

Mr. Lewis: More specifically, Mr. Speaker, has the minister on behalf of the government approved any statement in those advertisements that constitutes a threat of possible sanctions if certain things are not observed? If so, can he inform the House what those sanctions are to be, as announced in the advertisements?

Mr. Basford: Mr. Speaker, I thought I had made it clear by saying I had not seen any copy that I was not in a position to approve any such thing.

Mr. Lewis: A supplementary, Mr. Speaker. Is the minister informing the House that the Prices and Incomes Commission is authorized to lay down policies that can be implemented only by the government without any look by this minister or any other minister at the policies which the Prices and Incomes Commission proposes to set out in advertisements?

Mr. Basford: Mr. Speaker, the communiqué issued by the federal-provincial conference last week and the statement made by the Prime Minister in the House last week indicated there was a measure of agreement between the heads of the 11 governments in that they supported the pricing criteria of the

Prices and Incomes Commission and, as governments, hoped it would not be necessary to apply sanctions but indicated a willingness to do so if such were required.

Hon. George Hees (Prince Edward-Hastings): A supplementary question, Mr. Speaker. If the minister is claiming, as he appears to be that he keeps completely away from all of the dealings of the commission under his control, would he agree that if this is the case he is not performing his proper function as minister? Whom does he think he is fooling, anyway?

Mr. Speaker: Order, please.

[*Later:*]

INFLATION—TYPE OF SANCTIONS AGAINST FIRMS VIOLATING PRICING CRITERIA

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I have a further question for the Minister of Consumer and Corporate Affairs.

An hon. Member: Don't waste your time.

Mr. Stanfield: Will he make a statement in the House tomorrow or the day after indicating what sanctions the government of Canada is prepared to use against firms who violate the restraints? I ask this question on the assumption that the Canadian people are entitled to know not only what the policy of the government is but also the way in which this policy is to be enforced. Will the minister assure the House that he will make a full and frank statement as to the purposes of the government?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, it is my view that the Prime Minister has already answered that question in the House. I would point out, as the Prime Minister has, that we have reviewed the various laws and policies of the government and have examined them from the point of view of which could be used as sanctions against any particular company or group that do not follow the pricing criteria as laid down by the commission. These sanctions will vary from case to case. Our view is that it would be better for companies to follow the criteria of the Prices and Incomes Commission than run the risk of having sanctions imposed upon them.

Mr. Stanfield: Mr. Speaker, I ask this question to indicate to the House the doubt left by the minister. For example, would the government threaten a company with a review of its income tax position if it violated the restraints?

LABOUR CONDITIONS

LAY-OFFS BY GENERAL MOTORS—ACTION BY GOVERNMENT

Mr. J. Edward Broadbent (Oshawa-Whitby): I have a question for the Minister of Public Works, who is Acting Minister of Industry, Trade and Commerce, which I would ask him to draw to the attention of the Minister of Industry, Trade and Commerce. In view of the fact that General Motors of Canada announced today that some 15,000 workers are to be laid off in the auto industry, what measures is the minister taking to prevent further lay-offs of this nature?

VETERANS AFFAIRS

SUGGESTED 25 PER CENT INCREASE IN PENSIONS AND ALLOWANCES

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, my question is for the Minister of Veterans Affairs. In relation to the planning of the ceremonies commemorating the 25th anniversary of world war II, will the minister consider as a significant mark of remembrance the announcement by the government of a 25 per cent increase in war veterans allowances and disability pensions?

INCREASE IN HOSPITAL DOMICILIARY CARE RATE

Mr. Andrew Brewin (Greenwood): Mr. Speaker, my question is for the Minister of Veterans Affairs. Will he consider making a statement on motions to explain the recent increase in the rate charged disabled veterans for domiciliary care—

An hon. Member: What on earth kind of care is that?

Mr. Brewin: —from $120 to $300 a month, an increase of 150 per cent?

Hon. Jean-Eudes Dubé (Minister of Veterans Affairs): Mr. Speaker, I am very pleased to answer that as part of this government's campaign to limit price increases these proposed increases have been rolled back and no longer exist.

Inquiries of the Ministry

[*Translation*]

EXTERNAL AFFAIRS

POWER OF PROVINCES TO SIGN INTERNATIONAL AGREEMENTS

Mr. Oza Tétrault (Villeneuve): Mr. Speaker, I had a question for the Prime Minister but, since he is not in the House, I shall direct it to the Acting Prime Minister.

Does the federal government intend to allow the provinces to conclude international agreements, provided they respect its acknowledged rights?

[*English*]

Hon. George McIlraith (Acting Prime Minister): Mr. Speaker, this question has already been covered on several occasions by the Secretary of State for External Affairs. If the hon. member has any refinements to the previous answers that he is concerned about, I should be glad to take such questions as notice.

LABOUR CONDITIONS

ARGENTIA, NFLD.—CLOSING OF U.S. NAVAL BASE—PLANS TO COPE WITH UNEMPLOYMENT

Mr. Walter Carter (St. John's West): Mr. Speaker, I have a question for the Minister of Regional Economic Expansion. Is the minister in a position to tell the House what action has been planned by his department to help the people of the Argentia area who will be affected by the recently announced phase-out of the United States naval base in that area?

[*Translation*]

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, we are aware of what is going on in that part of the country and the department is studying ways of assisting workers who will be relocated because of the closing of the base.

[*Later:*]

[*English*]

Mr. J. M. Forrestall (Dartmouth-Halifax East): I wonder if I could direct a supplementary question to the Acting Prime Minister and ask him if he would not—I hope this is not directly representational but perhaps in a sense it is—get togeter with his colleagues and seek to reopen the question of the early closure of the Argentia naval base, not only from an economic point of view but from the point of view of its strategic military role in the defence of the North Atlantic?

[Mr. Dubé.]

Hon. G. J. McIlraith (Sollicitor General): Mr. Speaker, I will be glad to draw the hon. member's question to the attention of the Prime Minister on his return later this afternoon.

REGIONAL ECONOMIC EXPANSION

NEWFOUNDLAND—SIGNING OF AGREEMENT ON FIRST PHASE OF DEVELOPMENT PLAN

Mr. James A. McGrath (St. John's East): I have a question for the Minister of Regional Economic Expansion, Mr. Speaker. Is the minister prepared to tell the House whether an agreement is ready for signing between Newfoundland and Canada regarding a development program under his department?

Hon. Jean Marchand (Minister of Regional Economic Expansion): I think it will be pretty soon, Mr. Speaker.

ESSEX COUNTY, ONT.—REPRESENTATIONS FOR ASSISTANCE

Mr. Mac T. McCutcheon (Lambton-Kent): Mr. Speaker, I should like to ask the Minister of Regional Economic Expansion if he has received any representations for assistance under the Regional Development Incentives Act from Windsor and Essex County in view of the 51 per cent increase in unemployment insurance claims in that area?

Mr. Speaker: I am not sure whether it is in order simply to ask whether an application has been received. Perhaps the hon. member might like to have the whole matter debated at the time of adjournment.

POST OFFICE

PRESENT POSITION OF MONTREAL POSTAL DISPUTE

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, I do not like to add to the harassment of the genial Postmaster General—

An on. Member: Why not?

Mr. Diefenbaker: —because there has been some improvement in the mail services from Montreal. Letters now come in three or four days. Is the minister in a position to report any success over the weekend and particularly so after the co-operation of the Minister of Labour had been sought by him? What is the present position in Montreal?

An hon. Member: Chaos.

Hon. Eric W. Kierans (Postmaster General and Minister of Communications): Mr. Speaker, I do not think the situation is sufficiently improved that anybody in this House wants to claim any measure of success. However, we are hopeful. I have had a series of discussions with all parties, including the contractors who are taking over the delivery of mail services on April 1, the unions, business and industry and the contractor who now has the contract.

Mr. Diefenbaker: A supplementary question. Have any arrangements been made by way of emergency action so that the pile of mail can get moving between now and April 1?

Mr. Kierans: Mr. Speaker, we are sufficiently sensitive to the issues involved that we do not wish to escalate the situation in Montreal and thereby create a situation that could be very much worse.

Mr. David Lewis (York South): Mr. Speaker, I have a supplementary question. May I ask the Postmaster General whether the suggestion I made to him about ten days ago, regarding a provision in the Industrial Relations and Disputes Investigations Act which allows for one bargaining unit to be established with the consent of all the employers involved, has been conveyed to the union and whether any discussions have taken place on that direct way of meeting the problems?

Mr. Kierans: Mr. Speaker, I am grateful that the hon. member did make this suggestion to me nearly three weeks ago and it has been discussed. However, as he well knows, it demands the co-operation of the new contractors and I do not think they are greatly impressed by the suggestion. Indeed, one of the contractors already has the Teamsters' Union and he would be very loath to throw out the Teamsters' Union and recognize another union.

[*Later:*]

EFFECT OF INCREASED POSTAL RATES ON ETHNIC PRESS

Mr. Craig Stewart (Marquette): Mr. Speaker, I wish to direct a question to the Postmaster General. In view of the statement by a representative of the Canadian ethnic press that six ethnic papers will cease publication in Canada due to the exorbitant increase in newspaper postal rates, what action is the government taking to ensure that this vital part of the Canadian mosaic will be preserved?

Hon. Eric W. Kierans (Postmaster General and Minister of Communications): There are a great many ethnic newspapers in Canada, Mr. Speaker. I am not clear that the actual disappearance of the ones the hon. member is referring to is due entirely to the postal increases of a year ago. It may be well due to editorial policy, management policy, a lack of financial resources or a number of other reasons. However, if the hon. member would give me the name of the six I am sure the Post Office, without giving any particular privileges or discounts, would like to investigate and ascertain the validity of the hon. member's claim.

Mr. Stewart (Marquette): A supplementary question, Mr. Speaker. Is the Postmaster General aware that some of these papers anticipate mailing their publications from the United States because the postal rates there recognize the vital role of the press in a national communications system?

POLLUTION

TRAIL, B.C.—LEAD POISONING OF FOALS—FURTHER INVESTIGATION

Mr. Randolph Harding (Kootenay West): I have a question for the Minister of Consumer and Corporate Affairs. In view of the release last weekend of the report on the lead poisoning of foals in the Trail area, and as the Food and Drug Directorate participated in the investigation which found that lead poisoning had taken place, I ask the minister if further investigation into other possible environmental pollution has been recommended for the area?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, I think this is a question which should more appropriately be directed to the Minister of National Health and Welfare or the Minister of Energy, Mines and Resources.

Mr. Harding: Mr. Speaker, may I direct my question to the appropriate minister, either the Minister of National Health and Welfare or the Minister of Agriculture. It is important enough to require an answer today. Possibly the health minister could reply.

Inquiries of the Ministry

Hon. John C. Munro (Minister of National Health and Welfare): Mr. Speaker, I cannot answer the question today. I will be pleased to look into the matter and report to the hon. member later.

Mr. Harding: A supplementary question, Mr. Speaker. Will the minister make the report and the pertinent laboratory tests and studies upon which it was based available to the public, and can the minister indicate if the investigation fully covered the possibility of fluoride pollution in the area?

Mr. Speaker: I believe the hon. member for Kenora-Rainy River has a supplementary.

Mr. John M. Reid (Kenora-Rainy River): I have a supplementary question for the President of the Privy Council. Could he inform the House if this matter might be referred to the special committee on pollution which this House set up on Friday last?

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, I would be glad to consider that in the general over-view of the work of that committee.

FISHERIES

HADDOCK—ICNAF QUOTA PROGRAM—PROCEDURE FOR RECORD-KEEPING AND ENFORCEMENT

Mr. Lloyd R. Crouse (South Shore): My question is intended for the Minister of Fisheries; in his absence I will direct it to his Parliamentary Secretary. With reference to my question of February 16 concerning limiting of fishing for haddock by all member-nations of ICNAF, can the Parliamentary Secretary now inform the House whether a record-keeping and enforcement procedure has yet been worked out by the ICNAF countries?

Mr. E. F. Whelan (Parliamentary Secretary to Minister of Fisheries and Forestry): Mr. Speaker, I believe I have the document in my office with the detailed information. I could give it to the hon. member later today.

AGRICULTURE

REQUEST FOR STATEMENT ON IMPLEMENTATION OF BARBER COMMISSION RECOMMENDATIONS

Mr. R. R. Southam (Qu'Appelle-Moose Mountain): Mr. Speaker, I have a question for the Minister of Agriculture. In light of the fact that over a month has now elapsed since the minister tabled in the House the special Barber Commission report on the prices of tractors and combines, will the minister take the earliest opportunity to make a statement on motions indicating what action the government is taking with respect to the recommendations in this report?

Hon. H. A. Olson (Minister of Agriculture): Yes, Mr. Speaker. I cannot say at this time how soon that will be. I am sure the hon. member and the House will recognize that some of the actions recommended by Dr. Barber of course require a lot of discussion and negotiation with machinery companies and that sort of thing. I certainly will report to the House as soon as I can.

Mr. G. W. Baldwin (Peace River): I have a supplementary question for the Minister of Agriculture. Having in mind the extremely large debt owing by farmers in respect of the purchase price of these machines, is the government going to exercise the undoubted jurisdiction which it has to amend the Farmers' Creditors Arrangement Act to benefit the farmers who have this tremendous debt pressing them?

Mr. Olson: Mr. Speaker, the amendments that have been suggested to that act by the hon. member do not, of course, alleviate that situation in any way, shape or form.

VETERANS AFFAIRS

RENEGOTIATION OF PAYMENTS BY VETERANS BUYING FARMS

Mr. H. W. Danforth (Kent-Essex): I wish to direct my question to the Minister of Veterans Affairs. I do so because of some cases of hardship recently brought to my attention. Has a decision been reached by his department or a directive issued concerning sympathetic consideration of renegotiation of loans and interest payments due by veterans buying farms under the Veterans Land Act, especially in view of the drastically curtailed economic returns during the last 12 months?

Hon. Jean-Eudes Dubé (Minister of Veterans Affairs): I will be very pleased to look into the matter, Mr. Speaker.

GRAIN

ADVICE TO RAPESEED PRODUCERS RESPECTING MARKETS

Mr. John L. Skoberg (Moose Jaw): I have a question for the Minister of Agriculture. In

view of the observations made by the President of the United Grain Growers about farmers collectively deciding to allow wheat inventories to drop and not replace them in the 1969-70 crop year with more wheat, will the Minister of Agriculture advise the House what direction his department is prepared to give rapeseed producers in order that there will not be a marketing crisis in this area?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, we are prepared to give the rapeseed producers all the information we have respecting the prospective markets for the coming year.

Mr. Skoberg: A supplementary question. In view of the statement of the President of the UGG that there could be a world crisis because of overproduction of rapeseed, can the minister not give a more thorough answer to this question?

Mr. Speaker: The hon. member for Lisgar.

POLLUTION

PRECAUTIONS RESPECTING ARCTIC OFFSHORE OIL DRILLING

Mr. George Muir (Lisgar): Thank you, Mr. Speaker. I was beginning to think I was the invisible man. My question is intended for the Minister of Energy, Mines and Resources. Perhaps in his absence it could be taken by the Acting Prime Minister. In view of the fact it is reported that certain oil companies are being given the privilege of offshore drilling among our Arctic islands, what immediate precautions, if any, is the government taking to ensure that the drilling will not cause oil pollution of our northern waters?

Hon. G. J. McIlraith (Solicitor General): I will be glad to draw that question to the attention of the minister for answer on his return to the House.

LABOUR CONDITIONS

CO-ORDINATION OF GOVERNMENT ACTIVITIES TO COPE WITH UNEMPLOYMENT

Mr. James A. McGrath (St. John's East): My question is for the Minister of Regional Economic Expansion. In view of the growing and alarming rate of unemployment in this country, is the government prepared to give the minister's department responsibility to co-ordinate federal government activities with a view to coming up with some emergency program to deal with this very serious and critical problem?

Hon. Jean Marchand (Minister of Regional Economic Expansion): This is what we are doing, Mr. Speaker.

Mr. J. Edward Broadbent (Oshawa-Whitby): My question is directed to the Minister of Labour. Will the minister assure the House that he will use his position in the cabinet to urge the government to switch from its preoccupation with inflation to the creation of economy based on the principle of full employment?

Mr. Speaker: Order. The hon. member for Dartmouth-Halifax East.

POLLUTION

CHEDABUCTO BAY—PROCESSING OF CLAIMS FOR DAMAGES

Mr. J. M. Forrestall (Dartmouth-Halifax East): My question is for the Minister of Justice. Because of the extensive damage being done to Isle Madame as a result of the wrecking of the tanker *Arrow*, is the minister now in a position to advise these people of the procedures they will be able to follow to obtain some compensation for the damage done to them?

Hon. John N. Turner (Minister of Justice): Mr. Speaker, I am not at liberty to advise private citizens, no matter how difficult the circumstances, on what their legal remedies are. What I said to the hon. member was, that I have been in discussion with the Minister of Transport as to what amendments may be made to the Canada Shipping Act and other statutes of Canada to protect both the public and private interests.

Mr. Forrestall: A supplementary question. Is the minister indicating to the House and the people of Cape Breton who have been affected by this disaster that there is no recourse or redress open to them for damages incurred?

Mr. Turner (Ottawa-Carleton): I am not saying that at all. I am just trying to explain to the hon. member the limits of my responsibility.

INDIAN AFFAIRS

AVAILABILITY OF REGIONAL DEVELOPMENT INCENTIVES TO INDIAN AND MÉTIS COMMUNITIES

Mr. Frank Howard (Skeena): I wish to direct a question to the Minister of Regional Economic Expansion. Because of the fact that

the native Indian and the Métis people are at the bottom of the list when it comes to income and economic position, will the minister take steps to amend whatever is involved, regulations or otherwise, under his authority to ensure that the benefits available to other parts of the country in terms of industrial incentives for economic expansion will be available to Indian and Métis communities or in the surrounding area?

Hon. Jean Marchand (Minister of Regional Economic Expansion): Yes, Mr. Speaker, it is under active consideration right now.

Mr. Howard (Skeena): May I inquire as to the timetable in connection with this active consideration? When may we expect an announcement?

An hon. Member: In 1980.

SUGGESTED SUPPLYING OF SURPLUS DAIRY PRODUCTS TO MÉTIS

Mr. A. P. Gleave (Saskatoon-Biggar): In view of the fact that the Standing Committee on Agriculture recommended that surplus dairy products be used in cases of domestic need, would the Minister of Agriculture consider making some of these products available for the Métis about whom so much concern has been expressed?

Hon. H. A. Olson (Minister of Agriculture): These products are available now to anyone who wants to buy them, including the welfare agencies.

• (3:00 p.m.)

GOVERNMENT ORDERS

LAW REFORM COMMISSION BILL

ESTABLISHMENT, OBJECTS, POWERS AND DUTIES, ETC.

Hon. John N. Turner (Minister of Justice) moved that Bill C-186, to establish a commission for the reform of the laws of Canada be read the second time and referred to the Standing Committee on Justice and Legal Affairs.

He said: Mr. Speaker, the government is fulfilling a commitment which I made when I participated in a convocation at the Osgoode Law School in October, 1968, that within 18 months we would introduce a bill to establish a law reform commission for Canada.

[Mr. Howard (Skeena).]

In the interval, I have had the opportunity of discussing the nature of the proposed commission with several jurisdictions. This is the first time, to my knowledge, that there will exist in the legal world a law commission relating to the federal laws of a federal state. I had the opportunity last October of holding conversations on three separate occasions in London with the chairman of the English and Welsh Law Reform Commission, Sir Leslie Scarman, who a year earlier had been the guest of the Canadian Bar Association at its annual convention. He is now, and has been since its inception, the chairman of the Law Reform Commission in England. We were able to discuss the statutory framework of such a commission, the way in which it worked, its relationship to parliament, to the bench, the bar and the legal profession generally, as well as to the public. At the same time I had the opportunity of discussing the subject with Lord Kilbrandon, who is the chairman of the Scottish Law Reform Commission which has responsibility for Law reform in the Scottish system of law and jurisprudence. It is noteworthy that in the United Kingdom they should have decided to set up two separate law reform commissions for two separate systems of law. We, in Canada, have decided upon a single commission which will embrace within its purview two systems of law—the system of Anglo-American jurisprudence which obtains in nine of the ten provinces, and the civil law system which is practised in the province of Quebec and which derives from the Napoleonic Code and the French jurisprudence. We have also held discussions with members of the Ontario Law Reform Commission and reviewed the practice of the New York State Law Reform Commission.

The purpose of the bill before us is to establish a law reform commission in Canada. The commission will consist of a chairman and vice-chairman, two other full-time members and two part-time members. All appointments would be for a term not exceeding seven years for full-time members and not exceeding three years for part-time members. This would permit the commission to be renewed on a continuing basis. What we are attempting to institute here is a relatively small commission made up of personnel reflecting the priorities of law reform as they arise from time to time. I do not anticipate that the commission will provide a carrer. What we are looking for are men and women whose particular expertise and competence will

reflect the priorities of law reform in the next five to seven years; as these priorities are changed, the personnel of the commission will be rotated, and new men and women will be commissioned to meet the responsibilities and priorities of the next period of reform.

I said I wanted the best years of their lives—men and women, of legal competence primarily—though members could be drawn from other disciplines if that could be arranged to meet the priorities of law reform. At least four members of the commission must be from the legal profession, either barristers or judges, but, as I have said, there is room on the commission for others outside those professions. At least two members of the commission, including either the chairman or the vice-chairman, must represent and reflect the civil law system in Quebec.

The commission would have a permanent staff appointed under the Public Service Employment Act, and it would have power to contract out work for specific projects. It follows that the necessary specialized expertise would be available to it. We realize it would be impossible to incorporate within such a compact commission as is proposed, all the expertise, specialized legal knowledge and familiarity with allied disciplines necessary. So the commission will be empowered to employ on a relatively short-term basis, experts in particular fields under review.

The commission will enjoy a substantial degree of independence. For example, it will be able to receive proposals for law reform from any person; and it will have power to initiate and carry out such studies as it deems necessary. However, it will be required to submit its program to the Attorney General of Canada, and the Attorney General, or the Minister of Justice, will have authority to insert any program for reform into the commission's program for study, should he deem it in the interest of Canada, and the commission will be bound to give such a program special priority when required. This provision has been inserted so as to ensure that the research program and undertakings of the commission will be related to the priorities in law reform as they appear relevant from time to time, having regard to the priorities of the people as reflected by the debates in Parliament and so on. It is essential to the credibility of the commission that its programs be directed toward reforms, the need for which is felt by the government and reflected in Parliament.

The commission will be independent in its methods of working, in the establishment of its programs and in the conclusions which it reaches. The bill does not permit the Minister of Justice to control how the commission will perform its work once its programs and priorities are set. It does not permit the Minister of Justice to determine how its research shall be conducted. It does not permit the government or the Minister of Justice in any way to determine the recommendations which will be forthcoming from the commission.

• (3:10 p.m.)

The bill contemplates that the commission will consult broadly with the judiciary, members of the bar and persons engaged in teaching, research in legal and allied fields and with other interested bodies, including members of the public at large. The bill provides for the tabling of the commission's reports to the minister. It provides for the tabling of the annual report to the minister; and it provides for the tabling in Parliament of the program and studies approved by the minister.

In other words, the activities of the commission become the property of the people of Canada, through Parliament, in three stages. Once the program of studies is agreed upon by the commission, with the approval of the Minister of Justice, that program of studies must be tabled by the minister in Parliament and become public knowledge, and will be available to the Standing Committee on Justice and Legal Affairs and to Parliament as a whole.

Secondly, the commission must render an annual report to the Minister of Justice. The minister is bound to table that report on the floor of this House; and again that report will be made available to Parliament, presumably through the Standing Committee on Justice and Legal Affairs and on the floor of the House.

Finally—and this is most important—any report on any particular study made to the minister must be tabled by the minister, again in the House of Commons, where it will become available to Parliament and its committees.

[*Translation*]

Mr. Speaker, the objects of the Commission are specified in the bill. Indeed, its mandate will be to study and keep under review on a continuing and systematic basis the statutes and other laws and to make recommendations for their improvement, modernization and reform.

Without however, restricting the general scope of the above-mentioned objects, it may suggest especially the removal of anachronisms and anomalies in the law.

The Commission may also concern itself with the reflection in the law of the distinctive concepts and institutions of common law and civil law, as well as with the reconciliation, in the expression and application of the law, of the differences and discrepancies arising out of the differences between those two concepts or those two institutions.

I believe it to be a most important matter, since the federal judicial system should reflect both legal systems. It is therefore essential that the federal laws of the future not only be translations, but the reflection of both cultures and both concepts of law.

At the present time, when a bill or a policy to be put into a bill comes before the Department of Justice, the task is entrusted to a French-speaking editor familiar with the Civil Code, and an English-speaking editor, a lawyer versed in common law. The two versions are prepared at the same time and compared not specially for translation of words but for correspondence of concepts in both legal systems.

Thanks to that new commission for the reform of the laws, our federal legislative system will be not only bilingual but also bijural, that is will incorporate both legal systems.

Besides, the commission will be responsible for eliminating obsolete laws.

Finally, it will see to the development of new approaches to and new concepts of the law in keeping with and responsive to the changing needs of modern Canadian society and of individual members of that society.

[*English*]

It is contemplated that the commission may undertake joint projects with all other law reform commissions both abroad and at the provincial level. Several people with whom I talked before we drafted this legislation stressed the importance of not limiting the work of the commission strictly to the federal statutes but that we should keep in mind the general purview of the administration of justice that might involve the joint responsibility of the provinces.

There are a number of areas of the law that come quickly to mind. I could conceive of the necessity of having joint provincial legislation to back up the civil remedies enforcing the right to privacy. I could conceive a joint provincial legislation that would be necessary to reconcile our systems of evidence—criminal evidence, which is the responsibility of the federal government, and civil evidence, which redounds to the provinces.

The commission will be competent, in co-operation with provincial law reform commissions, to review these joint areas of the law. I hope that in this way the commission may be able to provide some measure of co-ordination in the general area of law reform in Canada. Such co-ordination appears to be desirable since there is still in Canada a relatively small pool of qualified persons in the form of legal experts upon which to draw.

As a matter of fact, the deans of Canadian law schools and the Association of Canadian Law Professors are somewhat concerned that the impetus toward law reform may well put tremendous pressures on the pool of legal resources and research in this country. I hope that the eventual chairman of this commission will, at an early opportunity, discuss with the Association of Canadian Law Professors and with the deans means to ensure that in planning a program of legal research and a program of reform they proceed in such way as not to place an immediate burden on law schools in Canada, to the detriment of law students. I think it is important that the primary responsibility of the academic profession in law remains the students in law, and that the necessary taking of their talents for the purpose of public law reform be done in such way as not to interfere with the curricula and programs of the law schools of this country. It is my hope that this law reform commission in Canada will mean that the law will never again stand still in this country; that we will have a body of experts able to suggest reforms in the law on a continuing rather than on an episodic basis.

What I mean is this. There are certain branches of the law that are so complicated in their federal aspects that it is virtually impossible at the departmental level to give them the necessary complete review from section one to section 1,000, or from A to Z. Immediately, I think of the Criminal Code of Canada, which is in need of thorough housekeeping, thorough revision, not merely in lawyers' law as it applies to the Criminal Code but also in many of the Code's social aspects.

Although the Department of Justice will continue to try to meet policy problems as they arise and to anticipate those policy problems, as we are going to do in a month or so

in a new criminal law reform bill which relates to bail, to the right to privacy and so on, I think it is necessary that in the medium and in the long term there be a permanent body that is able to review statutes such as the Criminal Code, and to bring forward a consistent piece of legislation.

We have set up a new research section in the Department of Justice. This research section will have as its duty to research the law, to anticipate and to fulfil policy initiatives which we in the Department of Justice will have to take. I hope to be able to announce shortly the name of a director of this new research section. I also hope to be able to announce a new reorganization of the Department of Justice which will reflect the establishment of this research section.

• (3:20 p.m.)

I have always felt that in looking at the Department of Justice, the Attorney General's side has been stronger than that of the Minister of Justice. That is to say, that part of the department which acts as lawyer to the government and to the various departments of government, and prosecutes on behalf of the people of Canada in the enforcement of federal statutes, has been a stronger branch of the Department of Justice than has been that of the reform and research side of the law. We hope we will be able in this new research section to promote that aspect of reform and thereby provide liaison between the Department of Justice on a daily, short-term policy basis with an overview, if I might use the words of the President of the Privy Council earlier this afternoon, of the federal statutes as represented by the Law Reform Commission.

So, the establishment of this law reform commission in no way will derogate from the responsibility of the federal Department of Justice to anticipate and meet the policy of law reform within federal jurisdiction. I want to suggest that I hope the bill reflects the government's genuine concern about the serious and continuing improvement and reform of Canadian federal law.

I suggest as immediate priorities that the commission should have a complete rewriting of the Criminal Law as one of its' first projects. I mention also the necessity of revising, on a total basis, the Canada Evidence Act and, in doing so, arrange that the criminal laws on evidence correspond in so far as that is possible with the civil law on evidence across Canada, both within the civil law system of Quebec and the common law system obtaining in the other nine provinces.

I should think it is incumbent upon the commission at an early stage to examine public administrative laws in Canada, the workings of federal boards, commissions and tribunals, as well as the remedies of the citizen by way of administrative review and judicial review. I think this House, in a report of the committee chaired by the hon. member for Windsor-Walkerville (Mr. MacGuigan) studying statutory instruments, has shown how Parliament might better review some of its administrative procedures. I think we have to buttress this on a local and national basis.

I hope I have been able, in a general way, to outline to the House the purposes and general contours of the bill. If the House decides in its wisdom to move this bill forward into committee, then of course members from all sides of the House, who contributed to what I might term the outstanding work under the chairmanship of the hon. member for Welland (Mr. Tolmie) of the Standing Committee on Justice and Legal Affairs, will be able to examine this bill in the detail which I hope it deserves.

Mr. R. Gordon L. Fairweather (Fundy-Royal): Mr. Speaker, perhaps we should have a Member of Parliament on the law reform committee to shake the Secretary of State for External Affairs (Mr. Sharp) out of his boots. However, I will not destroy an obviously cooperative mood with that suggestion.

I think the House will appreciate, particularly those who have sat here for some time, the difficulty that so often is encountered by governments and by parliamentarians in translating ideas for reform into amendments to statutes or new statutes. The idea of continuing reform is an excellent one. It is one I may say that already operates not only in the state of New York but in the province of Ontario through its commission.

I also think of the Ontario government, and I am not making a big pitch here because it had its lumps during the weekend from a certain conference, was helped by the very special work done by former Chief Justice McRuer. His report will be of great value not only to this commission's work but to the administration of justice throughout Canada.

When one thinks of continuing reform of the law, one of course thinks of the tremendous work done in the private sector—non-government sector would be a better expression—by the American law institute and, I am

afraid to a lesser degree, by the commissioners on uniformity in our own country. I found, when I had office and hoped to get the commissioners to act, that speed in their case was very deliberate indeed. In other words, provincial governments would be interested in moving ahead on a particular issue in concert with other provinces but it would take the commissioners so long to translate the ideas into statute form, and then the ten legislatures to get around to doing anything about it, that we tended to circumvent the work on uniformity, and go about it on an individual basis.

I was very interested, and I think this is an assessment we should keep in mind, in the minister's idea of not making a career out of positions on this commission. I have been discussing with friends the fact that in 1969 not one of the graduates of the Harvard Law School went to what is known as the great law firms of the city of New York. Anybody who is interested in law schools and their graduates knows that usually the large, busy and prosperous law firms literally line up in Cambridge or elsewhere seeking the best brains from that and other important schools. This year, and I think this is very significant and shows an interesting new development of students, graduates prefer to work where the action is, so to speak. They prefer to work for Ralph Nader on the reforms that he is bringing about in respect to auto safety and protection of consumers' rights, and with organizations such as NAACP and others in the civil rights field for the black people of the United States. I hope very much that this type of orientation will pervade Canada's law schools. I think there is a great deal of evidence that it is beginning to occur here. In other words, this profession that some of us belong to is not primarily one for earning money. It is a profession which lends itself to a great deal of useful community activity. I think it is right that the minister does not sort of entrench his "tigers", because tigers too can get lazy if they lie in the sun too long. I should think that the commission should be transfused very often with new blood.

The other aspect, and I am sure the minister will keep this in mind, is the need for the use of what I might call the cross discipline aspect of law reform. For too long I think, lawyers have thought of the law as their preserve. This is by no means the case. I hope very much that when the minister gets around to amending the criminal law, for instance, a great deal of attention will be paid to the useful and perceptive suggestions of others in the community engaged with crime and its results.

[Mr. Fairweather.]

• (3:30 p.m.)

Many of us had the privilege the other evening, for example, of hearing a talk by a very remarkable young lady Miss Barbara Buck, who is devoting an important part of her life to work with drug addicts at Digger House in Toronto. Her discipline is not of the law; she is a sociologist. I was very impressed, however, by the very practical and knowledgeable way in which this young lady addressed herself to this serious social problem.

Although this will require joint provincial action, I would hope, in what the minister categorized as sort of a joint program, the minister would take into consideration the administration of justice in so far as the courts and all aspects of trial are concerned. In my own province, the judicature act was largely designed around the horse and buggy concept in the real sense of that term. The courts opened on Tuesday because in order to get to the centre where the court was located one had to start on Sunday. No one would think of travelling on Sunday so the court started on Tuesday. That is only a small aspect of a total problem.

I think many of us were shocked, for instance, by a situation which may be manifested in other parts of the country, although it occurred in Toronto. An accused person waited I believe some five or six months in the Don jail before being brought to trial. Obviously, in any reform in respect of this type of situation the commission would have to have very close contact with the provinces because of the constitution.

As to reporting certain segments of law reform undertaken by the commission, the minister I believe has undertaken that these reports will come to Parliament. This is an important departure. This is possibly just another cliché, but I would say this change is just the tip of the iceberg. The more governments find it necessary to have their work done by consultants, the more important it is that the results of this research get out to the public in some way. This is another subject for another time, but I think the minister is entitled to be congratulated for seeing, so far as this commission is concerned, that there will be no sitting on reports. As we reform the law I believe it it very important that the rationalization for the reform have very wide

public discussion and by the representatives of the public who happen to sit in this Parliament.

I hope other departments will follow this very useful precedent. There really should be no secret documents in a democratic state unless those documents literally have to do with the security of the state. I have never understood the passion for secrecy in our system in Canada and in the United Kingdom. If the commission on law reform can break through this type of secrecy, we will have accomplished a great deal.

This is about all I have to say. I am struck by the problems being faced in the United States today concerning the whole matter of the administration of justice and how really delicate and tenuous are some of the rights which are grandly proclaimed in rigid constitutions. This perhaps is wide-ranging, but I believe people who seek to list our liberties on a piece of paper should remember that it really did not matter very much, for example, if one was a United States citizen of Japanese origin or a Canadian of Japanese origin in World War II. Although one group was protected by the constitution of the United States and the other was protected by our jurisprudence each were extremely shabbily dealt with by the state.

So when I see people who want to have pieces of paper to put on the walls listing their rights—I am not condemning anyone who sees it in that way—I believe we must remember that rights can have a way of being twisted by governments which only pay lip service to them. I do not suppose Mr. Speaker would allow any more philosophizing, for instance about the results of the recent trials in Chicago and New York, but as we reform the law we should remember that it is the ethic of the country that supports the reform of law and this ethic will be very important in the days ahead.

Mr. John Gilbert (Broadview): Mr. Speaker, we in the New Democratic Party welcome Bill C-186 to establish a law reform commission, but we do so with reservations because we do not want to see the law reform commission become a stalling device for immediate and necessary legislation. In his remarks, the minister stated that he is fulfilling a commitment made in 1968 to the students of Osgoode Hall that he would bring in this bill within 18 months. He has now done so. I recall when I came down to Ottawa for the first time in 1965, the ten minister of justice promised complete revision of the Criminal Code. To date we have had the omnibus bill which certainly brought forth measures which were welcome and necessary in respect of the criminal law. Today, we have a statement by the Minister of Justice (Mr. Turner) to the effect that he hopes to bring forth another bill in the near future concerning bail and arrest. In the interim, we have had the Ouimet commission which studied criminal law in Canada and which presented an excellent report concerning changes which it believes should take place.

I hope the present minister will not await a report by the law reform commission before implementing some of the recommendations contained in the Ouimet commission report. I can think at this moment very quickly of the right to counsel at trial. This is a very important aspect of the criminal law which has been neglected in Canada. When the minister brings forth the second bill on law reform, I hope it will include not only the matter of bail and arrest but also the right to counsel at trial.

There are three ways to reform the law. First, a special committee or commission could be set up to examine a particular matter, or a standing committee such as the Committee on Justice and Legal Affairs could be set up or a permanent commission could be appointed. This bill would appoint a permanent commission. In respect of the first method, that of setting up a special committee of the House of Commons to examine a particular matter, I think immediately of the joint committee of the Senate and House of Commons that was set up to study the divorce laws in Canada.

As a result of the recommendations of this joint committee the divorce law in Canada has been brought up to the point of the law of divorce in England as set forth in the year 1870. Even at this stage, after the divorce laws have been changed, many hardships and grievances remain for some members of the community. It was only as a result of the work of this committee that the divorce laws were changed. I can think of the Ouimet Commission which studied the criminal law and recommended changes. I can think of the commission which was set up at least six years ago to study juvenile delinquency and which submitted a report in 1966. However, from that time until the present there have been no amendments to the Juvenile Delinquents Act. I can only approve this bill with reservation when I think of the urgency to amend the juvenile delinquents legislation in

the 10 provinces of Canada and the delays of the present government in doing so.

• (3:40 p.m.)

The establishment of a standing committee is necessary to study the reform of the law. We have done this through the establishment of the Standing Committee on Justice and Legal Affairs. That standing committee has many shortcomings, one of which is the lack of research facilities, but I can recall that there has been a study in depth of certain subjects that affect many Canadians. We had a study with regard to bail; another one with regard to drugs, and a third one on expunging criminal records. The committee submitted reports in those three areas as a result of the studies.

The minister said with regard to bail that measures will be brought forth. I cannot be too critical of that. We are now awaiting a report from another committee that was set up by the government to study the use of drugs. With regard to expunging criminal records, a bill was presented by the Solicitor General (Mr. McIlraith) which, however, is not in keeping with the thinking of the members of the committee on justice and legal affairs. In fact, the principle of the bill is totally contrary to their recommendations.

We have now before us Bill C-186 which sets forth the necessary framework for a permanent commission. As I said, we in the NDP welcome it provided it is not a stalling device, because there is no reason for a further delay in setting up a permanent law reform commission. We live now in a society where rapid technological, economic and social changes are taking place, a situation which has created a continuous shift in our way of life. Our legal system has failed to keep abreast of these sweeping changes. Many of our laws are couple; many are uncertain and often many are not adapted to our changing world. We operate under the law of precedents. It might be of interest to members of the House to know that in England there are one quarter of a million recorded cases that are used as precedents, and in addition we have statutes, regulations, orders in council and bylaws on three levels of government. Is it any wonder then that our law is not in keeping with the changing times?

I should like to refer to an article written by Allen M. Linden called "The Laggard Law: Machinery of Law Reform". He summed up by saying:

> The present machinery of law reform in Canada is rusty and obsolescent; horse and buggy methods are being used in a jet age. Efforts to keep the law responsive to societal aspirations are lagging because of limited resources, non-existent vehicles for reform, overworked public officials, and self-satisfaction.

The same author warns us as follows:

> Unless new institutions are established to transform our law to embody the aspirations of the majority of the Canadian people, our legal system will be in danger. Therefore, the time has come to create the machinery to expedite the intelligent growth and steady modification of law and legal procedure.

Here we are in 1970 passing a bill to set up a law reform commission. The minister mentioned consultations with officials from the state of New York. It is interesting to note that the state of New York passed such legislation in 1934; that New Zealand passed it in 1937; California in 1953; and the great province of Ontario in 1964. As the minister stated, a law reform Commission bill was passed in England in 1965 and was enacted on the 750th anniversary of Magna Carta. With regard to the federal government, a bill was presented in 1965 by Richard A. Bell, a former Conservative member, but the bill did not go beyond first reading. In 1966, the Canadian Bar Association recommended the setting up of a law reform commission. The Ontario law reform commission has done an excellent job in the studies that it has undertaken, and has prepared about four or five reports. It prepared a report on the mechanics lien act, the perpetuities act, the personal property security act and the expropriation act. I think that their bill and their report on expropriation helped in no small measure in passing the federal Expropriation Act, which is similar in many areas.

The bill before us proposes, as the minister pointed out, the appointment of four full time members to the commission and two part time members. With regard to their qualifications there is a requirement that the chairman and vice-chairman, one to be full time and one part time, be judges or barristers with ten years' experience. This is one aspect which I would like the minister to take under advisement because the initiative with regard to the reform of the law has come from younger members of the bar and in many cases from academics in law schools across Canada, academics who have the time and the research facilities necessary to study the laws in depth.

On looking at the particular clause in the bill setting down the necessary qualifications of the chairman and vice-chairman we see that they must be a judge or a barrister. I

think the minister would be well advised to take into account law professors and law teachers for those positions. We have a precedent in the Ontario law reform commission. Mr. Allan Leal, Q.C., is the chairman and has been a practising barrister for some years. He then became dean of Osgoode law school and is now chairman of the Ontario law reform commission. It would be fair to say that he is doing an excellent job as its chairman. He is an academic with past practical experience. On that committee in Ontario, not only do we have an academic in Mr. Leal but we have a former chief justice of the high court, the Hon. James C. McRuer. At the present time the other members of the Ontario committee are the Hon. Richard A. Bell, W. Gibson Gray and William R. Pool. I would ask the minister to take into account what I think is a shortcoming, namely, the absence of any law professor or other academic.

• (3:50 p.m.)

Mr. Baldwin: How about the Prime Minister?

Mr. Gilbert: Possibly that is what he may return to after the next election.

The objects of the commission are set forth on page 5 of the bill. The first of these is the "removal of anachronisms in the law." I think it was Dickens who said that the law is an ass. Many people think that sometimes the practitioners of the law can also be included in that class. It is because of the anachronisms in the law that we, as legislators, have taken the initiative to remove them, and to remove obsolete laws from the statute books. Another stated object is "reflection in the law". Lord knows, we certainly need reflection in depth in the law. Another object is "the development of new approaches." One area in which we have to develop a new approach is that of the uniformity of laws across Canada. One would hope to see a codification of the law of contract, the law of torts, and the law dealing with land titles. When I heard the Minister of National Health and Welfare (Mr. Munro) condemn lawyers with reference to land law as practised in Ontario, especially with reference to the registration of legal instruments, it made me realize there is a dire necessity to up date the law of land and the procedure for registration of legal instruments in Ontario.

It is necessary to have uniformity with regard to securities legislation. At the moment we have ten different provinces enacting legislation with regard to securities. I would hope that the Law Reform Commission would direct its attention to basic security legislation which would prevail across the whole of Canada.

The provinces have passed laws with regard to compensation for the victims of criminal violence. We have a hodge-podge of different statutes covering compensation for victims of criminal violence. I recall that the minister said he would take up this subject with the provincial attorneys general during the summer, and try to get some uniformity in that area. I would hope we could have that uniformity so that when people are injured as the result of criminal violence in any province they will get just and equitable treatment.

I think it would be fair to say that the Law Reform Commission should give priority to laws which have an impact on individuals. It should give a priority not only to the area of criminal law but to many other areas which concern the freedoms we enjoy in Canada. I personally would like to see the commission take another look at the philosophy underlying criminal law. In the past we have had the adversary approach, and many people believe this falls far short in providing any basis upon which the reformation and rehabilitation of offenders may be considered. We have taken a half step with regard to juvenile delinquents. Now we look more at the reformation and rehabilitation aspect rather than merely at the commission of an offence by a juvenile delinquent. After reading a few books by psychiatrists and others indicating the shortcomings of the adversary approach, I would hope the commission would study this matter in depth so that we can meet some of the problems that are facing Canadians.

With respect to the current interest in the expungement of criminal records, I believe this interest would not have developed but for the fact that more first offenders are to be found in all classes in the community. For years young men in the lower income groups who had convictions registered against them had to face all the restrictions that were imposed on them with regard to employment, travel and bonding. In the past few years, however, a wider segment of the community has been involved in criminal offences. We have had the white collar frauds, and the impaired driving convictions to consider. These types of convictions affect another class, and now a first attempt is being made in the area of expunging criminal records.

The minister said that the commission will present an annual report, which will be tabled in the House, and that it will also present reports of particular studies it makes. We welcome this. I would ask him to look at the British precedent in this regard, and more especially with regard to reports that are tabled on particular studies. In the British house, not only is a report tabled but sometimes it is accompanied with the comments of the Minister of Justice. Sometimes it is not only necessary to have a commission study a particular question but it is also necessary to have the Minister of Justice review that study and make comments on it. Otherwise, the government may be saddled with the commission's report, presented to the minister and tabled in the House. Under this legislation the minister should be given power to add any recommendations or comments that he may wish to make. This is the English practice, and I think it is a good one. The legislative supremacy of Parliament should never be undermined by the reports of commissions. I am sure there will be adequate protection in this legislation in that respect. When reports are tabled in the House I hope they will be referred to the Standing Committee on Justice and Legal Affairs, so that further representations from organized bodies and other interested people may be heard.

Another thing we must remember is that mere setting up of a Law Reform Commission does not mean we should do away with or undermine other commissions and committees that have been established. I am sure the minister knows this and will keep it in mind. In conclusion, Mr. Speaker, I hope that the law reform commission legislation we are now studying will justify the hopes and the expectations of the minister, of the members of this House, and of the Canadian public.

[*Translation*]

Mr. C. A. Gauthier (Roberval): Mr. Speaker, we are very pleased with the introduction of this bill today, because we have been waiting for it for a long time. I congratulate the minister for having fulfilled one of the promises he made to us in 1968. I was a member of Parliament then and I remember. I think that it is the first time that a minister is true to his promise; many promises of this type have been made to us in the past.

In 1965-66, the same promise had been made to us and we were still waiting for the establishment of this Commission. We are happy to learn that this will be a permanent organization; today, the rhythm of life is so quick and change is so rapid that it is absolutely essential that a Commission of this type be permanently established in order to attempt to up-date our laws.

Mr. Speaker, this Commission will likely operate much the same way as other commissions do. It will make inquiries across the country to sound public opinion. I hope that the witnesses who will come before the commissioners will be listened to carefully and that their testimony will serve some useful purpose towards the proposed reform. I cannot imagine that a commission is created merely for the pleasure of conducting studies or travelling across Canada. First of all, it is essential to know what people think about justice. It is certain that several persons administer it, but one must not forget above all else that the people suffer the consequences of its application. Therefore, it is at the people's level that we must seek basic ideas in order to adapt justice to the people's living conditions.

It interested me greatly to hear the minister say that the Commission would try to make a synthesis of our two legal systems in order to find a common denominator. I was happy to hear him say those things because he is definitely one of those who perceive disparities existing within Canada itself.

Too often today do we hear government authorities repeat that Quebec is a province like all the others and that Canada is an unusual country. The Minister of Justice (Mr. Turner) just proved that in Canada there are really two cultures and two judicial systems and that we must not try to eliminate one in favour of the other but attempt to establish links between the two.

In my opinion, the Minister of Justice should be congratulated since he understood the nature of the problem and did not try to elude it. He studies the facts and attempts to make a synthesis of them. This is a real good start on the standpoint of justice if an effort is made to understand better the various mentalities in Canada which is such a large country to administer, as all the English provinces, as everybody knows, are under the common law while the Civil Code applies to the province of Quebec.

• (4:00 p.m.)

I think he made a very interesting point there and I wish him, and the commission particularly, much success as the task is a difficult one and it will be hard work achieving a synthesis that reflects the true situation of law in Canada.

We laymen wonder how long it will be before the commission comes up with results. If I could ask a favour of the commission, it would be that it tackle the job as early as possible. In fact, the creation of such a commission, to guide the Department of Justice and also to help bring about a new code of laws was long overdue. I feel the commission should act without delay and take all possible steps to speed up its work and submit its report.

It is said that the commission will report every year. I think that if the official report is to be handed in every year, the commission must keep in constant touch with the department and that, as soon as the study of a subject is over and done with, it must report to the Department of Justice that will take it up to the House and will attempt to apply its recommendations.

A complete review of our judicial system was necessary. If we just leaf through the Code, we will be shocked by the number of sections that are obsolete. I think it a must to review it thoroughly and I hope such review will be conducted with order and clarity.

The new code should use clear vocabulary. In certain fields, particularly that of justice, it would seem that people who draft legislation do their utmost to find complicated expressions and to use incomprehensible language.

In my opinion, it would be possible to write legislation in a general way and still make the text simple enough so that everyone will understand; this would do away with arguments about terminology whose only result is to enable lawyers to prolong cases and quarrel among themselves, as I have seen them do myself. Indeed, I always found it tiresome to see them arguing for days to try to establish the exact meaning of a word.

It seems to me that the English and French languages are rich enough so that an end can be put to the obscureness of legal texts.

Certain priorites will have to be determined in that study. We have done so in the past. Some ministers of justice have advocated certain reforms here in the House. They claimed they were priorities. But we did not consider them priorities but merely promises. When the Criminal Code was amended, especially with regard to abortion and homosexuality, I did not consider them priorities, although some seemed to think that they should come first. Still, it was done, and I am sure that the members of the commission who will be appointed will be able to determine the priorities and then do the work that is required.

As I said a while ago, there has been concern about old matters, specially with regard to expressions that are still popular such as "air pirates". It is shocking to think that the civil code cannot include measures on that because it falls under the Criminal Code. The commission will have to deal with such matters to bring our laws up to date.

I hope the new code will be less punitive and more remedial, and that the social character of the law will be stressed. One must realize that the steel age and the muscle age are a thing of the past. We now live in the atomic age, the age of intelligence. And I feel that our laws must reflect this. The criminal must no longer be treated like a criminal. In former times, it was said of criminals that they were not like other men. The new code must treat them like mentally ill people and especially like human beings, taking into consideration their essence, their intelligence. Then we will have taken a wonderful step towards renewing and humanizing the Criminal Code, to my mind the greatest stride ever towards law reform.

• (4:10 p.m.)

[*English*]

Mr. D. Gordon Blair (Grenville-Carleton): Mr. Speaker, I think that every member of this House will enthusiastically support this important proposal for legal reform which has been made by the Minister of Justice (Mr. Turner) in the introduction of this bill. The minister has referred to some of the issues which might be studied by the proposed law reform commission such as the Criminal Code, the law of evidence and other matters. Each member who has spoken has added other issues which he regards as major and which call for study.

Following this pattern, I have one or two suggestions about major issues. They are based upon my experience, which has been rather extensive, in the study and application of federal statutes as a result of practising law in Ottawa for almost 20 years. One of the most appalling things about the present statutes of Canada is the lack of consistency and the lack of uniformity which characterizes many of the statutes. For example, in one statute a person who may be charged with a particular offence has the onus of proof cast upon him to show that he is innocent. In another statute where there may be an offence almost parallel in its terms, the onus is upon the Crown.

There are hundreds of examples in our statutes where an important discretion is conferred upon a minister or a public official to make a decision. There are many different ways in which this discretionary power is conferred. What you might think would be the rule which would apply to the exercise of a discretion under one statute as a result of your experience, sometimes proves not to be the case because of some odd difference in the wording.

The operation and application of our statutes as a whole in relation to the rights and privileges of private citizens is something which should give great concern to all of us. This is now even more important because of the fact the Supreme Court of Canada, in an important recent decision, has given new life and vitality to the Canadian Bill of Rights.

As a major project of any law reform commission there should be a careful study of the statutes with a view to determining how they apply against individual citizens; how the rights of citizens are protected and enhanced in their dealings with their government; how the Bill of Rights applies to the statutes of Canada; and to what extent the statutes explicitly or implicitly recognize the Bill of Rights which in its most important sections is supposed to overrule statutory provisions which are in conflict with the fundamental rights of the people.

There are many big and popular issues which will engage the attention of this commission. I would not be surprised, following the practice of the Ontario Law Reform Commission, if the new federal commission became engaged in long and complex inquiries dealing with important and complex issues. As we know, the Ontario Commission had already published four large volumes and more are to follow. The very complexity of the inquiries that it has carried out, the difficulties of the subject matter and the difficulty of finding time, undoubtedly, in a parliamentary timetable to deal with its findings have of course slowed down the implementation of its recommendations. There is no way out of this problem because we all know that changes of a major nature in the law must be made only after careful study. If they are made precipitately and without due deliberation, they will not be satisfactory.

I hope this new commission will not concern itself only with big matters. I hope it will not be over-impressed by the fact it has the capacity to solve some of the larger legal problems of this country. I hope it will direct its attention continuously and in detail to all the minor law reforms which it is necessary to make.

Our government operates according to law. It is governed in every respect by the statutes of Canada. Experience shows that in many instances, for one reason or another, the laws have become out of date. There may be some unexpected defect or imprecision in the drafting of a statute; some circumstances may not have been foreseen or some new circumstances may have arisen. I can recall many times in my practice in this city where, having presented a point of view to governmental officials, I was told and I had to agree that they had no alternative but to say, "Too bad we can't do what you want. We think we should be able to do it, but unfortunately the law does not give us this authority." In most of these circumstances, the number of people affected by this type of decision is small. It may be only one person or a very small number of persons who somehow or other have come within the purview of an obscure section of an act of Parliament.

I need not tell the members of this House that the correction of this kind of injustice and legal result is something which rarely happens in the experience of this Parliament. There are simply too many big and time-consuming issues which engage our attention for departments to continually, year after year, bring forward to this House small projects for the amendment of defects in the various statutes for which they are responsible.

• (4:20 p.m.)

I therefore feel that if the new commission directed its attention not only to big issues but to small ones it could confer great benefit upon the public of Canada as well as upon members of this House. Hon. members having read the bill will realize that the commission can act on its own account—that it can receive complaints from the public and take action. It will be in a position to make reports from time to time which will inform members of this House and of the public of problems which have arisen in the administration of sections of particular statutes. This kind of legislative reform could, perhaps, be wrapped up in a single bill, a miscellaneous law amendment statute—something which would not involve the House in a discussion of great principle. In passing it, we would be doing necessary housekeeping so as to keep the law up to date. In this way, the commission could exercise a great function in ensuring that justice is done not only to the mass of the people

but to individuals. It might become, indeed, a legislative ombudsman whose work would be of great assistance to us all.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, anyone on this continent who in the course of the last few weeks, and in particularly in the last ten days or so, has had occasion to observe the proceedings in Chicago, must have come to the conclusion that it was high time we in this country, as well as those in the United States, took a completely new look at where we stand on this issue of the status of the courts, and law and order.

In Chicago were represented the two extremes of a certain position. Between those two extremes the average person stands appalled, shocked and amazed at the spectacle presented of a courtroom in which the defendants and their counsel brought the programs of violence and confrontation which have been witnessed outside; where one of the defendants had to be literally bound and gagged, if I remember correctly, and where at the conclusion of the proceedings counsel for the defendants were sent to jail, one of them for a term of four years.

I have tried to read objectively the newspaper accounts of this affair, and I have listened to the radio and television accounts of what took place. It seems to me that the law and order faction was represented by a very repressive element. Obviously, if there is to be respect for the judicial system in the western world, and particularly on this continent, and respect for the statutes passed by freely-elected representatives of the people, there has to be change. If this sort of thing is re-enacted, and it appears there is every likelihood that it will be re-enacted all over the country, it will lead to a breakdown of the judicial process. More important than anything else, it will mean a loss of the respect people have for the judicial system.

My experience in the practice of law began when I was articled as a student at the age of 16. At that time, in the Province of Saskatchewan, there was a liquor enforcement act on the statute books, a silly, stupid law which did not reflect the thinking and the mores of the people. This was the law which replaced the prohibition legislation which had existed earlier.

What happened was this: all the respectable people were breaking this law over and over again. I remember those early days of complete prohibition. The way to buy a bottle of liquor then was to go to the local drug store. For $2 a physician would sign a large number of forms—prescriptions—and these would enable anyone to buy liquor as medicine. This is not the kind of system which leads to respect for the functioning of the judicial process or for statutes passed by a legislature. People lost all respect for the law and for those who administered it; it was a question of seeing whether one could beat the system. Bearing in mind what has taken place in Chicago, we need not feel sympathy for the extremists on either side. But we must feel sympathy for the people in the middle who are entitled to look to the judicial process and to reasonable and proper enforcement of good laws which are passed for their protection, health and assistance.

I have no hesitation in telling the minister that I approve of this bill in principle. I think it is capable of doing a great deal of good. But the commission will, I feel, be faced with some extraordinary problems for which it will need to find solutions in short order. For this reason I hope it will not be too remote—that it will not look at the situation from an ivory tower. This has been one of our problems in relation to laws which are passed from time to time—I have in mind amendments in statutes designed to block loopholes, to cross t's, to provide for situations not contemplated when legislation was originally passed. All too often we do not take into account the real impact of such actions upon the people most affected. It is fine to have people with judicial or legal knowledge appointed to this commission but I think it would be even better, perhaps, if we were to appoint for instance, a convict who had been rehabilitated, or a bankrupt who had made financial restitution.

What I am trying to say is that membership of the commission should include people who have some personal understanding of what these laws mean to those who are likely to be directly affected by them. In any event, the commission should make sure that they or their representatives get into the streets and talk to the people. I think it was Jeremy Bentham who said laws should be enacted so that they brought the greatest good to the greatest number. There are so many things which the commission might consider. There is the question of insanity—the application of the M'Naghten rule today; the increasing use of alcohol, the increasing use of drugs. What will be the impact of these changes both on the criminal law and on the civil law to the extent that it comes under federal supervision?

Law Reform Commission Bill

• (4:30 p.m.)

I recall the case a number of years ago of a man who was successful in having a charge of murder reduced to manslaughter because the court found his degree of intoxication when he committed the crime was such that he was incapable of appreciating the nature and quality of his act. This is not a defence which would have permitted him to be acquitted, but it did permit what would otherwise have been a charge of murder to be reduced to a charge of manslaughter. We will also have to look at the extent to which people commit acts under the influence of drugs. The formidable increase in the use of drugs of one kind or another is bound to leave its impact on the actions and conduct of those who use them.

I hope that in an issue of this kind the minister will either recommend to the commission or that the commission will consider, as I think they quite properly should, the contracting out of further inquiries to be undertaken by private individuals or groups. I think an immediate study should be commissioned by the commission into the whole question of legal competence and responsibility involving cases of insanity, use of drugs and so on.

I have noticed that one or two courts have used television to publicize their proceedings. I am not proposing the general use of television in our courts, but I think that on a trial basis it might be useful to bring home to the people the actual processing of legal disputes, whether in our criminal courts or otherwise. The courts are growing increasingly unfamiliar to the people.

It has been my fortunate experience to be involved in the study and practice of law in a great many small communities, communities where you knew the people and those who administered the courts; communities where juries were usually personally known to most of those who were unfortunate enough to be caught up in the criminal law. I think this condition had its usefulness, though it is not so prevalent today. All too often people today have the idea that law is remote, is austere, and sometimes far too antiseptic. I think the two safeguards which are available to the ordinary people are the legislative and parliamentary process—which I may suggest, as an aside, is slowly being scuttled; but more of that later—and the judicial process. Certainly the judicial process is tremendously important.

[Mr. Baldwin.]

The statutes that are being set up through the legislative process must come increasingly under the scrutiny of a commission of this kind. However, I suggest to the minister that it might be very useful to have some liaison in this regard. I know that the hon. member for Fundy-Royal (Mr. Fairweather) facetiously suggested placing a member of the House of Commons on the commission—I think he was being facetious in that regard. However, it seems to me that there is some scope for liaison here.

The present Standing Committee on Justice and Legal Affairs has in many instances acted quite objectively and done a good job in may respects. It is my hope that this practice will continue and that, Parliament by Parliament, this committee will become one of the important committees of the House of Commons. This is the committee that will, in due course, be studying in detail the statutes that the government may see fit to bring down following recommendations by the commission. I think some thought might be given to having some form of informal liaison from time to time between the commission and the members of the standing committee. This would be very useful at a later date.

For example, let me deal with some of the suggestions that have been made. The world has known for some years of the dangers that are inherent in the voyaging of large tankers to different parts of the world. For 12 years we have had available to us under international conventions the right to lay down regulations governing the innocent passage of vessels, even the innocent passage of foreign vessels, into Canadian waters. It seems to me that by now it would have been possible to lay down rules, regulations and statutes consequent upon consideration of the subject by a committee of this kind. This would afford those thousands of people so deeply affected and greatly injured by what happened recently off the coast of Cape Breton Island means by which they would have recourse to some compensation. I venture to say that today, faced with the necessity of taking legal proceedings in the civil court against either the owners of the vessel of their insurers, many people would simply forget about it. The world has known about this particular problem for a long enough period now for some action to have been taken. There should have been available some means to enable private citizens to have some recourse to compensation without the dangers and anxieties that arise in litigation that

involves the expenditure of large sums of money.

I should like to suggest to the minister that while we do not want unduly to speed up contemplation by the commission of the sorts of things that are covered within the four corners of the commission's terms of reference, nevertheless once the commission has come to conclusions and made recommendations, the government should see that these recommendations are made public. It may well be that the commission itself would make them public; but I think that all too often the public have become disillusioned over the length of time involved, the gestation period as it were, between the time that someone gets an idea about dealing with a certain problem and the time it first sees the light of day in this House. Consequently, as I say, the public loses its confidence and trust.

In the course of his remarks, the minister dealt with the proposals that were made by the Special Committee on Statutory Instruments. It is true, as the minister said, that some of the recommendations of that committee outlined proposals with which this House should deal. There were 23 recommendations, 18 of which involved proposals with which the government should deal. Now, I know there are problems of personnel and manpower. Nevertheless, it is now over a year since this committee was set in motion. It was a good committee, non-partisan and objective, a committee that made a united and unanimous report.

I suggest that some of the proposals made in that report should have been implemented by now. If not, then at least the President of the Privy Council (Mr. Macdonald), in his capacity as house leader, should have brought them before the House for discussion. This report followed years of research, of discussion, of requests made by members of the House who had felt for too long that, while we have ways and means through standing committees for dealing with laws, we really have no effective way of dealing with the substantial, in fact overwhelming, extent to which the lives of the people of this country are affected by regulations.

I think that the bill with which we are dealing does bear this point in mind. I notice that one clause makes reference to "statutes and other laws". I think those who framed the bill had in mind doing something about the extent to which the legislation dealt with orders in council, decrees and regulations.

• (4:40 p.m.)

What are some of the things that were recommended? It was recommended that regulations made in the exercise of the prerogative power of the governor in council be subject to the same procedures and requirements. This is something long overdue for discussion. It was recommended that there should be no exemptions from the requirements of the Regulations Act. I am sure that the Minister of Justice will do a good job, but it was recommended that he should be charged with the responsibility of deciding for all regulation making authorities which documents should be classified as regulations.

It was recommended that departmental directives and guidelines as to the exercise of discretion under a statute or regulation where the public is directly affected should be published. What is the use of having a law if you do not publish it to let people know what it is? We should not be like the Roman emperor who, when compelled to publish his laws, had them engraved upon a tablet which was then hoisted so high nobody could read it. That is our situation today in respect of regulations, and orders in council. I do not blame the minister for this situation because I think he is well disposed towards this particular problem. However, if the attitude of this government towards this committee's report is an indication of the way in which the government is going to treat recommendations of the law reform commission, then we are beaten before we start. In that case, we should forget the whole thing and scrap the bill. The indications at this stage of the session are that the government will probably not bring its proposals before Parliament until near the end of the session. Then, the session will end and we will have to start all over again. I think it is a disgrace that this committee's reports which bear right on the issue brought up by the minister should be allowed to wither on the vine in this way.

I give the minister full credit for desiring to deal with this issue in order that there might be more expeditious action in government terms once the commission has made recommendations. I understand the government is not necessarily bound by these recommendations. However, as in the case of the third report of the committee on statutory instruments, if the government does not like the recommendations, it should come out and say so. The government should indicate the view it takes and what parts of a report it does accept. It should then place the matter before

the House for debate and let the House decide on the issue. That is what this House is for, and that is what we were elected to do—consider, discuss, debate and then decide the issues. So, it should be with this law reform commission.

I wish the commission well and I urge upon the minister once more that the personnel of the commission, the people who are going to do the job of contemplating, ruminating and acting, should represent a cross-section of the community. I think it is tremendously important that the membership should include academics and professionals, as well as those who can be said to be truly representative of the great majority of people who will be affected. It is in that sense they will consider and recommend what ultimately will be translated into law, and it is in this sense that the great virtues of this proposal will be found. I hope the committee will consider these facts and make the changes which are needed. I urge the minister to concentrate on this idea when seeking the people who are to be members of this commission, because I think this is the true test of the success or failure of the proposals and objectives found in this bill.

[*Translation*]

Mr. Pierre De Bané (Matane): Mr. Speaker, as it is late, I will only say a few words, leaving out the fine shades and distinctions which would be necessary.

To my mind, when the act to establish a commission for the reform of the laws of Canada is adopted, it will be a red letter day. The purpose of the Commission, as stated in clause 11(d) is as follows:

> The development of new approaches to and new concepts of the Law in keeping with and responsive to the changing needs of modern Canadian society and of individual members of that society.

I feel that the Minister of Justice (Mr. Turner) should be congratulated for having introduced such a bill.

But obviously, I did not wish to take the floor only to pay compliments; I also want to comment on the matter.

As far as I am concerned, the clause which outlines the objects of the Commission could be made more explicit. Also the bill should state in a more precise way the philosophy which underlies the development of the new methods mentioned in clause 11(d).

In fact, I believe that certain fundamental principles should be carefully spelled out in the Commission's mandate.

[Mr. Baldwin.]

I also believe that this mandate should cover parliamentary procedure and the legislative process. In this way, we shall touch upon social and political sciences and I think that one disguises the truth when one says that the Department of Justice has never taken into account the progress of such sciences.

When clause 11(d) mentions the changing needs of modern society, it obviously refers to one of the main objects of social sciences, that is social change and the history of societies. In this regard, I believe the clause would be improved through a more precise wording.

If it is true that the philosophy that must be the basis of the Commission's activity should be more explicitly defined, I fail to understand why it is required that certain members of the Commission must have been members of the bar for at least ten years, when we know that youth today plays an important, even an essential role in the legal field and the scientific world.

I know some law faculties where most of the professors have been members of the bar for less than 10 years. In the United States Ralph Nader for instance, the barrister who has brought in the most drastic changes regarding the rights of consumers, has been a member of the bar for less than 10 years. I do not think that these two criteria are necessary.

Finally, I think that if democracy has a meaning, members of the Commission should be appointed at the discretion of the government, so that if the latter changes, the new Minister of Justice will be completely free to appoint other members since there should be a community of thought between political parties, at least regarding the main objectives.

I do not see why some members of the commission should be irremovable for a period of years.

Finally, to my mind, one of the reasons that make the passing of the bill necessary is, paradoxically, the lack of technical means provided for members of the House who are interested in the reform and updating of the laws. If members had had the means of doing this work, if they had them today, the commission would not have to be set up. I do not want to minimize the usefulness of the commission, but I think members could have achieved this task, had they been given the proper tools.

I would like the commission, the establishment of which is hoped for by all political

parties, to concern itself with both theoretical problems and the implementing of justice, in other words the democratization of justice.

• (4:50 p.m.)

[*English*]

Mr. Andrew Brewin (Greenwood): Mr. Speaker, I intend to join only very briefly in the chorus of acceptance we have heard in respect of this bill. I believe it is long overdue. A law reform commission should have been in existence over the years. I do not say that as a condemnation of the minister because his term of office has not been very long. There are one or two things I should like to say about this particular bill. As has already been mentioned, the quality of those who serve on the commission will be of tremendous importance. I do not know whether this is the minister's view, but it is my view that the legal profession tends to be very conservative with a small "c". It does not tend to be reform-minded in any way. Certainly, that used to be the case. Whether or not it still is I am not sure. I see that the bill provides that a majority of the members should be persons who have been judges or lawyers with ten years' experience. I hope the minister will strive very hard to get younger people appointed to this commission, so that it will not be composed largely of senior people.

In the legal profession I think the tendency to be concerned about reform in any way is apparent among the younger generation and not among the senior generation of lawyers, by and large. It would seem to me that on this commission we need people with radical ideas. A law reform commission could very easily turn its attention to the tidying up here and there of little details. The hon. member for Carleton (Mr. Blair) seems to believe it is an important function. I do not think it is an important function. I believe such a commission should come up with radical ideas in respect of making the law more just in its application. I would hope that on the commission there would be members representing welfare and labour. They would represent the vast majority of the population. I believe the people who see the inside of a lawyer's office most often come from the top 10 per cent of our people. From my personal experience as a lawyer for many years I know that the average person tends to avoid going near a lawyer's office. This certainly has been true.

If we are to have thorough-going law reform, I think people who have had experience of the law at the labour and welfare level should be involved. I hope also that we will not forget about the academic people. For a long time in the legal profession there was sort of almost a contempt for those whose experience in law was largely academic. I would think the chairman of this commission should be a person who has had academic and judicial experience, perhaps someone like Mr. Justice Laskin if he should be available. In any event, the chairman should be a person of that type whose training has been in the theory and purpose of the law. For too long the legal profession has been complacent, concerning itself with what an excellent institution it is. The minister may have attended meetings of the Canadian Bar Association where the general tenor of the discussions seemed to be what a good service lawyers provide to the community. As a lawyer I would not belittle this attitude, but I do not think this sort of complacency is justified.

I hope the minister will seek out for the commission people who will be radical critics and not merely people who would become engaged in tidying up little pieces of legislation here and there. Another suggestion, which I believe was made by the hon. member for Broadview (Mr. Gilbert), is that one section of the commission should look almost exclusively into the question of the repeal of obsolete laws. I would like to see a rule in this House that we never bring in one law without repealing another, because we multiply laws without reason. I would like to see a thorough review made of the Statutes of Canada in an effort to find laws which are absolutely useless at the present time.

In conclusion, I should like to say that this law reform commission is an excellent idea. It is long overdue. It could give impetus to making this a more just society.

Mr. McQuaid: Mr. Speaker, perhaps you might be prepared to call it five o'clock.

Mr. Deputy Speaker: Is it agreed?

Some hon. Members: Agreed.

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Deputy Speaker: Order. It is my duty pursuant to Standing Order 40 to inform the House that the questions to be raised tonight

at the time of adjournment are as follows: the hon. member for Vancouver-Kingsway (Mrs. MacInnis)—Pollution—non-phosphate detergent research; the hon. member for Moose Jaw (Mr. Skoberg)—Agriculture—Investigation of removal of serial plates from imported tractors.

It being five o'clock the House will now proceed to the consideration of private member's business as listed on today's Order Paper, namely, Notices of Motions.

Mr. Forest: Mr. Speaker, I believe there would be agreement to stand the first two notices of motions and proceed with the third notice of motion on the Order Paper.

Mr. Deputy Speaker: Is that agreed?

Some hon. Members: Agreed.

PRIVATE MEMBERS' MOTIONS

LABOUR RELATIONS

PROPOSAL TO MAKE STRIKES ILLEGAL AND CREATE LABOUR TRIBUNAL

Mr. A. B. Douglas (Assiniboia) moved:

That, in the opinion of this House, the government should give consideration to making strikes and lockouts illegal within the jurisdiction of the Parliament of Canada and creating a special labour tribunal whose decision shall be final and binding on the parties for the term of an agreement to be arrived at or where there is no agreement, for the terms set by a Court appealed to for a judicial determination of the best and most just solution or arrangement for the parties.

He said: Mr. Speaker, I was prompted to submit this notice of motion because of some of the unhappy events of the last year or two, including the strike of the St. Lawrence Seaway workers, the grain handlers' strike at the head of the lakes, the grain handlers' strike at the west coast and innumerable other strikes which have had a very serious effect on markets, particularly export markets, for farm products.

At the outset I should like to quote from page 3 of the report of the task force on Canadian industrial relations:

1. Periodically the conduct of labour-management relations in any country is subject to severe criticism. In Canada, as well as in many other western countries, the attack on collective bargaining has been mounting in recent years. The result verges on a crisis of confidence in the present industrial relations system.

2. Why has the public apparently lost faith in the prevailing collective bargaining process? The rash of strikes which have caught the headlines in recent years provides much of the explanation. In many of these disputes the protagonists seem to suffer less than the public. Worse still, there is apprehension that the parties are using the public as their whipping boy while they work out their differences.

3. Many of these stoppages have interrupted services seldom before affected by collective bargaining. Strikes by professionals—even doctors, nurses and teachers—have disturbed the public. So also have shutdowns in what have long been thought to be essential services, notably school, hospital and postal services.

• (5:00 p.m.)

4. Public misgiving has been aggravated further by violence that has accompanied some recent labour disputes. Pictures of trucks being overturned and of pickets and police scuffling has not helped the image of industrial relations.

5. Nor can one minimize the damage done by corrupt and undemocratic practices which the Norris Commission revealed in the Seafarers, International Union of Canada. Added to earlier revelations of the unseemly conduct of certain unions in the United States, the publicity convinced many that organized labour was not the idealistic force for good that they had been led to believe.

6. To these events must be added a public predisposition to blame unions and collective bargaining for inflation which has plagued the Canadian economy in recent years.

It seems ludicrous to me that in this country where we pay so much lip service to the cause of peace, law and order, we should continue to settle many of our most important disputes in our land by the use of raw power or force.

My proposal is that the government should give consideration to the outlawing of strikes and lockouts within the jurisdiction of federal Parliament and to the setting up of a special labour tribunal which would have power to help settle disputes and, if necessary, to make binding awards. Many of the critics of such proposals seem to assume that they are aimed solely at labour unions. This is most emphatically not the case, because in many instances employer groups are equally reluctant to accept these proposals. I prefer to argue that this proposition is aimed at neither labour nor management, but instead toward the welfare of all concerned and the country as a whole.

It is true that a settlement by binding arbitration would likely be unsatisfactory to one or both parties to the dispute, but it would only be binding for the term set out in the award and no doubt the matter would be reopened for negotiation after a breathing space or cooling off period approximating the term of the settlement. There would be an excellent possibility of renewed negotiations producing an amicable agreement. In the

meantime, work and production would continue; no pay cheques would be missed; the employer would remain in business, and the public would receive uninterrupted service.

The sort of tribunal I have in mind would consist of three members who might be selected from a larger panel of persons who would be appointed by the government and who would have special training in law, economics and labour matters. A larger panel than three would be necessary to make sure that there would always be enough people available to form a tribunal and to take care of the possible need for more than one tribunal at certain times. These tribunals would, hopefully, weigh the arguments carefully and render a decision on the basis of what would be just and fair and in the public interest. What happens now is merely a test of strength as to which party can best withstand the punishment and hardship inflicted by a strike or lockout.

Labour has gained enormous strength and bargaining power throughout the years. Management groups are also very powerful. Management does, however, have certain checks which do not apply to labour. In most cases management has competitors, either domestic or foreign, or both, whom they must take into consideration. There are also laws against combines and price fixing. Nevertheless, there is a tendency for management to accept the demands of labour because they believe they can pass the increased costs involved on to the consumer. It is my opinion that this process has contributed greatly to rising price levels, to the inflation that threatens to price Canadian products out of the export market and which also tends to give foreign products an advantage in our own markets. Incidentally, this has recently become recognized by the federal government as our number one domestic problem. That is why I say that these tribunals should be able to keep the public interest as one of their prime considerations when dealing with disputes.

It may be argued by some that setting up machinery for compulsory arbitration would discourage meaningful negotiations, and result in a large number of disputes being referred to these tribunals. I doubt if this would happen. The very prospect that an arbitration award might go in favour of the other party, would be a powerful incentive for the disputants to make every effort to settle their differences themselves. Even if there were a large number of compulsory arbitrations at first, there might be compensations, particularly if, as I would expect, the awards were made with the welfare of the country in mind.

The report of the Royal Commission on Labour Disputes in Ontario by the late former supreme court justice, Ivan C. Rand, recommended that the provincial government should have authority to designate essential industries where strikes would be prohibited, and would also forbid strikes by public employees. He also recommended that a provincial industrial tribunal be set up with wide powers to deal with labour-management disputes. I am suggesting in this motion that the federal government do likewise in areas of federal jurisdiction.

Mr. Justice Rand's recommendations produced a violent reaction from some labour spokesmen, as well as a certain amount of unfavourable comment from the management side. This, to my mind, bears out my contention that there would be enough apprehension about the results of arbitration by an impartial tribunal to prevent an undue rush to use such a service. The Woods Commission also recommended a three man public interest disputes commission, and I am going to quote from the same report again.

At page 170, paragraph 581, reads as follows:

> We recommend that there be created a three man public interest disputes commission, independent of any government department, reporting to the Prime Minister, and composed of public members only. We recognize a potential difficulty in obtaining the consent of persons to serve on the public interest disputes commission, particularly if it were a full time responsibility. We therefore recommend that the commission be composed of persons serving part time, with a small full time secretariat of high calibre and with access to the Canada Department of Labour and other sources for assistance. To ensure that the members of the commission have the confidence of the parties as well as the public, the Canadian Industrial Relations Council, the creation of which we recommend later, should have the equivalent of tenure during overlapping terms of nine years each.

Paragraph 582 on page 171 reads as follows:

> The commission would have two major functions. The first relates to determining special procedures for resolving industrial disputes in industries in the federal jurisdiction which, because of their record of industrial relations, are prone to disputes which are likely to jeopardize the public interest. The second function relates to the handling of actual disputes in any industry under federal jurisdiction where the public interest is threatened.

In fact, compulsory arbitration is quite common now in the field of labour relations, as well as in other fields such as damage

suits, and compensation for expropriation of property. Labour grievances, matters of union jurisdiction, and alleged unfair labour practices, are subject to final adjudication by labour relations boards set up either by provincial governments or through collective agreements. It seems to me that the people who most fear the prospect of submitting to a fair and just settlement are those who have the most power to exact an unjustifiable one.

Sweden has been used as an example of a country with a fine record of industrial peace. Back in the 1920s and early 1930s that country was torn with the same sort of industrial strife that is plaguing our country today. When their labour court was first set up in 1928, it was strongly resisted by the unions. There were protest strikes and bitter charges that this court would be a tool of the employers. Gradually this instrument became accepted, and in fact the unions have made greater use of it than the industrialists. Sweden has had only three major strikes in the last 33 years.

Canada's population is about two and a half times that of Sweden, but in three recent years, 1964, 1965 and 1966, Canada lost more than nine million man days due to labour disputes, compared to 389,000 lost by Swedish workers, a ratio of 24 to 1, which means that our record for that period was about ten times worse than theirs.

● (5:10 p.m.)

Management-labour disputes have had a particularly detrimental effect this past year or two on the area I represent. Two strikes affected shipping on the Great Lakes for almost three months in 1968, damaging Canada's reputation as a reliable supplier of grain and other products, and quite probably losing us markets for our wheat which is currently in such large surplus. I would like to quote some editorial reaction to those strikes. This is taken from a T.V. editorial dated July 16, 1968:

> The Seaway strike lasted 24 days and immobilized hundreds of ships in the Great Lakes ports and along the St. Lawrence. It meant a loss of at least $15 million to the ship owners. The Seaway Authority, the strikers, and sailors who were laid off because of it. So this is the immediate effect of the walk-out which to all the experts was considered a strike against essential service to the public. It is still too soon to evaluate the long-term consequences of this strike but we can foresee that there will be repercussions on our international trade in the months and years to come. It is clear that the Seaway and inland Canadian ports are no longer attractive to shipping, and that shippers intend to divert their cargoes to other ports. This attitude has been strengthened by the fact that the labour problems in all the St. Lawrence ports leave much to be desired. We still ask the government the same question—what measures will be taken to prevent further work stoppages which affect the public interest and essential services?

[Mr. Douglas (Assiniboia).]

Here is another editorial, from *The Western Producer* of September 16, 1968:

> This is the kind of strike that should never have happened. There could be an endless argument as to how it was brought about—was the burden of the blame on one side or the other? The hapless bystander, the farmer, who suffers the greatest injury, hasn't enough information upon which to make a judgment. All he knows is that the union demanded a wage increase that would give its members parity with West Coast grain handlers, that the employers refused to meet these demands on the ground that they were prepared only to match increases in other local industries at the Lakehead and that both sides stuck to their inflexible positions until the Labour Minister moved in on them on Sunday, September 8.

Almost the same things could be said about the dispute which was recently settled at the west coast. In my opinion, we have lost sales and lost markets which we may never regain.

> The thing the farmer is interested in, no matter where he places the blame, is that this kind of strike should not happen again. He does not wish to see the process of collective bargaining break down. He would, however, like to see some definite move made in the direction of establishing procedures for settlement if settlement cannot be reached through normal bargaining.
>
> A strike of this kind is wrong, no matter where the blame is laid; it is wrong because of its damaging effect on grain farmers and other producers who depend on export sales, and on the whole economic structure of the country.

Then, there was the postal strike in 1968 which outraged people in every part of Canada, and there is the one that is hurting people in Montreal right now. The editor of the *Rural Councillor*, a publication of the Saskatchewan Association of Rural Municipalities, had this to say in the September 1968 issue:

> Sympathies vary between the workers and employers, depending on one's position. But, does anyone have sympathy for the innocent victims not responsible or involved in the disagreements, but who invariably suffer untold confusion in the management of their business, in addition to monetary loss? These people are hit hard by strikes, in which common sense, justice and reason are no longer the governing factors. Instead, supposedly intelligent people in our modern society revert to the ancient theory that "might is right". What a barbaric way to settle our economic problems!
>
> Strikes are occurring one after the other like a plague on our society. It is high time our politicians faced this problem squarely and produced a solution based on justice—the same justice on which our whole way of life has developed over the years.

We have courts in our land for the sole purpose of administering justice, whether dealing with criminals or settling business and financial disputes. Let's outlaw strikes, and turn the labour squabbles over to courts conducted by experts, who have special knowledge in the social and economic life of our nation.

There is no system better devised by man, to deal with the processes of law, than our courts. This system will keep the nation's business moving without interruption, and labour and management can argue through the various courts of appeal with the assurance that in the end justice will prevail.

The Canadian public is looking to Parliament to take effective steps to reduce industrial strife significantly. As I stated earlier, this proposal is not aimed at the legitimate interests of either labour or management, but is rather to try to reach settlements based on justice and enlightened public interest.

The government has created an independent Prices and Incomes Commission to study, investigate and report on problems of rising costs and prices. The purpose of the commission is to discover the facts, analyse the root causes, processes and consequences of inflation, and to inform the public and the government on methods of achieving better performance in our economy. I hope that its influence will be such that all Canadians in positions of power are well informed as to the economic implications of their actions, and that they will exercise a greater degree of restraint in price and income determination, in their own long-term self-interest as well as that of the country as a whole.

I hope that government action along the lines recommended in this motion, coupled with the activities of an independent Prices and Incomes Commission, will result in a much better climate, conducive to the establishment of industrial peace in Canada, by substituting reason, good will and justice for what is far too often the law of the jungle. I hope other hon. members will support this motion.

Mr. Cliff Downey (Battle River): Mr Speaker, it would be very easy for me to support this motion proposed by the hon. member for Assiniboia (Mr. Douglas) because it represents a possible, and in many ways practical, solution to one of the major ills facing our economy today which is, of course, the uncontrolled right to strike. I refer to the situation where a union concerns itself strictly with its own well being, strictly with the well being of its members, with no concern at all for the effect of the strike on the rest of society, with no concern at all for the impact it has on the nation's economy as a whole.

Many times it has been pointed out how an employer, usually the large corporate entity, has in the past abused his power with respect to labour. This is generally acknowledged and has been true in some cases. Now, it is acknowledged in many quarters that the shoe is on the other foot, that labour has attained too much power and is wielding the big axe, abusing that power as it once accused employers of abusing it.

But in seeking solutions to these problems it is easy for us to look for direct and obvious measures, with no thought for the implications they may have in the future. Many people today advocate free enterprise for themselves, but controls and compulsion for someone else. Coming from an agricultural area I have sometimes seen this in certain sectors of agriculture, where people advocate controls and boards for other areas of the economy and free enterprise for themselves. If we were to propose compulsory controls for labour unions, we would be taking away a basic individual right of their members. We must look for a solution that will not infringe upon such a right.

I am no expert on labour relations but it seems to me we must always consider the fact that we cannot have compulsion in one area without having compulsion in another area. I believe it would be possible for the government, which has already done a little in this area, to establish price and wage guidelines. The government could say what it thinks wage increases could be, and what price increases could be, with the idea of relating them to productivity. Such guidelines could apply to businesses, the larger corporate entities, as well as to employees. In the case of employers, it would be possible for the government to control prices by means of tariff adjustments. I think we should reduce tariffs and regulate them. By importing goods from other countries we would keep prices in this area at a competitive and reasonable level. I think business in general would have to adjust to this competition.

• (5:20 p.m.)

In the case of labour, I believe the same guidelines could apply. If labour did not conform to wage increase guidelines related to productivity, the government should see that the employers involved were protected in seeking alternate sources of labour. This would require a great many refinements. I realize this is rather a broad generalization, but I do not think we can allow labour to be

as irresponsible in tying up the economy as it has been many times in the past.

The methods I have outlined of using tariffs to regulate business, of seeing that alternative labour sources could be used by business affected when the unions did not conform to the guidelines, would give to the unions and companies concerned the choice of conforming to government wage and price guidelines or else competing with imports or alternate labour sources. Whether or not the suggestions could be made workable, the fact remains that if voluntary controls cannot be effective, we may have no recourse but compulsory arbitration.

What we are experiencing in the realm of labour disputes is intolerable and devastating to our economy. I can cite no better example than that of the grain trade with which I am familiar and in which we have had many disputes over the years. These disputes always seem to come at key shipping times when it is critical to move grain. This has always been the time when unions have seen fit to make their demands. Consequently, we have ruined our reputation in the grain marketing area and have lost the sale of many millions of bushels. Our international reputation regarding wage disputes is poor. Often boats arriving in our ports have had to go away empty or have been tied up for long periods costing a great deal of money in demurrage charges. This cannot go on. If there is no other recourse, I would be in favour of adopting the suggestion of the hon. member from Assiniboia (Mr. Douglas).

Mr. Deputy Speaker: The hon. member for Scarborough West.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker—

Mr. David Weatherhead (Scarborough West): Mr. Speaker, any national industrial relations system reflects the character and temperament of its people, and sometimes the events surrounding the birth of the nation. It reflects also the national philosophy and, often, the dictates of the ruling or dominant class. The American revolution in the third quarter of the 18th century, with the constitutional guarantees that grew out of it—for due process of law, freedom of speech and assembly and against involuntary servitude—profoundly influenced the history and direction of labour relations and labour legislation in the United States. Sweden, for reasons of national economics and survival, has a system based on industry-wide bargaining. The United Kingdom has a system that is in its liberal, laissez-faire tradition, into which the labour government has tried to introduce legislative controls because of a faltering economy and serious balance of payment problems. The USSR has an authoritarian labour relations system in which the objectives of the state are paramount, a heritage of its own revolution.

In turning now more directly to the industrial relations system in Canada, it exemplifies what has been said above about the evolution simplicity to sophistication—though not as yet the more involved kind of sophistication to be found in some aspects of the industrial relations of the United States, though the two systems are basically similar.

The industrial relations history of Canada is marked by a number of significant influences. In the beginning, when industry became active, the earliest efforts toward union activity in Canada came in large measure from emigrant craftsmen from Great Britain. But unionism finds it hard to develop in a new country. The old country connection disappeared, to be replaced by the United States union ties that exist today in the vast majority of Canadian trade unions.

This American connection was deeply affected by the open border for labour which existed in the 19th century and for part of the 20th. There are persons still living who worked between Canada and the United States intermittently, and there are those who knew the Canadian and American printers and railwaymen who tramped or travelled freely between the two countries to take work as members of the same union and being assisted in finding work by their fellow unionists. Besides the early craft groups of printers, railwaymen and shoe workers, the Knights of Labour also came into Canada. Today we have some 108 international craft, multicraft and industrial unions in Canada.

It can be safely said that no Canadian has had more influence on the Canadian industrial relations system than Mr. Mackenzie King. His interest in labour was the basis of his fame, the foundation of his fortune, and the springboard to political office that made him Prime Minister of Canada for many years.

He was the genius behind present Canadian federal labour relations and disputes legislation which has roots going back to 1907, when it was the direct result of a bitter coal strike which took place during the previous winter in the coal fields of Alberta. The settlers of the province, living in tents and sod huts,

suffered great hardship and privation before the strike ended. Out of his experiences in attempting to settle this strike, Mr. Mackenzie King, then the deputy minister of labour, developed his famous labour philosophy that in any civilized community private rights must cease when they become public wrongs. In 1907, Parliament passed an act containing legislative principles designed to further this philosophy which have existed to this day, despite the enactment of successor legislation. The principles adopted were:

(1) The public should not suffer from hasty or ill-considered strike or lockout action.

(2) There should be no strike or lockout pending compulsory conciliation.

(3) Public opinion, informed through the investigation and report of a board of conciliation, would exert an influence toward reasonableness in labour relations.

The second greatest influence on the Canadian industrial relations system was that arising from the United States New Deal legislation of the early 1930s. It will be recalled that following the crash of 1929, an economic depression enveloped the United States. When Franklin D. Roosevelt assumed the presidency in 1932, he initiated a number of extraordinary legislative measures in attempts to restore the shattered economy. One of these steps grew into the National Labour Relations Act, through which a trade union could compel an employer legally to engage in collective bargaining. It is beyond doubt that the growth of unionism, and particularly the development of the industrial form of union organization, were due to this beneficial representation and collective bargaining legislation.

This type of legislation spread to the Canadian provinces in the later years of the thirties and to the federal field of jurisdiction in 1944. It brought the same encouragement and growth of collective bargaining and trade unions as it had in the United States, by protecting the right to organize and to bargain collectively.

• (5:30 p.m.)

The influence of World War II on the Canadian industrial relations system and its participants was also very great. The co-operation of labour in producing war supplies and munitions in huge quantities was essential. This co-operation was obtained by further recognition and protection. A series of orders in council, passed pursuant to the War Measures Act, protected labour in the early years of the war prior to the wartime labour relations regulations, P.C. 1003, of 1944. The wartime labour relations regulations incorporated the representation and collective bargaining protection already mentioned as originating in the United States National Labor Relations Act. By the end of the war, organized labour had increased greatly in number, strength and status.

In 1948 the existing Industrial Relations and Disputes Investigation Act was passed. It combined the dispute-settling provisions already mentioned as originating with Mr. Mackenzie King and the representation and collective bargaining provisions originating in the United States National Labor Relations Act.

As a result of all these events and circumstances, collective bargaining has emerged as the dominant influence and force in the industrial relations system in Canada. While only a third of the work force has been organized by trade unions, collective bargaining influences the wages and working conditions of a much greater proportion of industrial workers. Where conditions established by collective bargaining do not extend to unorganized workers, they are principally aided by labour standards legislation which provides minimum rates of wages, maximum hours of work, vacations with pay, statutory holidays, etc.

Collective bargaining is the keystone of the industrial relations system in Canada. Through it there is a very large measure of industrial self-determination of working conditions and wages, backed by the economic threat of strike by employees and lockout by employers. This institutional arrangement known as collective bargaining is relatively free in its functioning to the same extent as the other factors of production which determine interest, rent and profit. It is the indispensable element of a free, democratic society. It would be impossible to control or suppress collective bargaining without at the same time controlling other factors of production and destroying democratic institutions. Another dominant but less volatile feature of our industrial relations system is the vast amount of federal and provincial labour standards legislation which has been referred to already.

A third feature of our system is the widespread application of beneficial policy by Canadian governments apart from the provisions of direct labour legislation. For instance, there is the positive encouragement and promotion of good labour-management relations

as a matter of policy by the Minister of Labour (Mr. Mackasey). This is done through the establishment of joint labour-management committees, the provision of preventive mediation, the provision of research facilities and the dissemination of information and statistics of value to labour and management in conducting their joint affairs.

Hon. members may wish to think about what system we might have in Canada if we did not have the prevailing industrial relations system. The alternatives to our present system of collective bargaining are basically two, or perhaps three. One alternative, unilateral decision-making by employers, has been challenged with increasing effectiveness by employees, their trade unions and governments since the first days of the industrial revolution. It is already impossible today as a way of industrial life, having been replaced by collective bargaining and by labour legislation designed to protect workers in various ways.

Another alternative is unilateral decision-making by the state, with legislation regulating all aspects of employment. This is not in our western democratic tradition, and from the viewpoint of production and productivity does not seem to be working out well in those eastern European countries where it has been tried. While we cannot attribute the benefits completely to collective bargaining, it is true that the western democratic countries that have given free rein to it have the highest productivity and the highest living standards in the world.

The third alternative that I mention as a possibility is a more enlightened form of collective bargaining on a tripartite basis, with labour and management having the active advice and assistance of governmental agencies in their bargaining relationship.

The current industrial unrest has brought all labour relations and disputes legislation under critical examination. This is also true with respect to the IRDI Act. In 1966 the then Prime Minister appointed a task force of academics of distinction to review the legislation and suggest revision. The task force made their report about a year ago and their recommendations are now under study. There will be some changes made in the legislation as a result, though not as many as are proposed.

The act as it now stands deals with four kinds of disputes: (1) representation, (2) unfair labour practices, (3) colllective agreement and (4) industrial grievances. Thirty-five years ago federal legislation dealt only generally with disputes under one procedure, a conciliation board. There has been a procedural evolution since then whereby such disputes, other than collective agreement disputes, are submitted to processes of summary settlement by a Labour Relations Board, by arbitration or by court action. That is to say, decisive procedures have replaced strike or lockout action as the method of resolving representation, grievance and unfair labour practices disputes.

Existing legislation does not deal with controversies such as those arising suddenly because of displacement of workers by technological change. Five years ago the Freedman Commission made recommendations in this connection, and they also are being studied in connection with the revision of the federal act. It is reasonable to say now that sooner or later our industrial relations system will be radically altered because of the influence of automation, new methods, processes, techniques—all summed up as the technological revolution—in giving rise to disputes and special legislative measures for their settlement. The future of our industrial relations system, or parts of it, may be greatly affected. Canadians have to compete in an industrial world. Changes in our present industrial relations principles and legislation must not have an adverse impact on productivity and on our export trade. If this happens, labour and management, like the Swedes, may have to regulate themselves or be regulated in the national interest.

Industrial relations, collective bargaining, strikes and other phenomena are very much in the public eye today and, as I said earlier, it is difficult to find a person who is passive or neutral in such matters. A number of inquiries other than that of the federal task force have been sponsored by provincial governments and private agencies over the past few years, and most of them have been sparked by the high level of strike activity. These inquiries have sought to find out if we have in Canada adequate laws and policies for a stable industrial relations system and, where these are lacking, to recommend effective measures.

The adverse effects of technological change on employees and on collective bargaining have been a very live topic of study. Perhaps the most difficult question arising is whether we should continue to tinker with the present system or seek a new, bold and radical approach. Further, how can a new

approach succeed, living as we do in the shadow of the same system in the United States, with its closely connected business and trade union ties to Canada?

Whatever the system and its laws and policies, industrial disputes will always be with us. The methods of settlement will be different and will probably evolve in collective agreement disputes, as they have in the other types of disputes mentioned earlier, toward a more orderly method or procedure. Concerning the inevitability of disputes, it has been said, "Ever since Jacob went to work for his Uncle Laban and after seven years of toil received the wrong wife in payment, there have been disputes of one kind or another between employers of labour and those who work for them. Jacob, it will be recalled, protested bitterly against the injustice done him but his employer-uncle was a law unto himself and so Jacob had to make the best of it."

Mr. John L. Skoberg (Moose Jaw): Mr. Speaker, I thought for a moment we would have to set up compulsory arbitration here in dealing with this compulsory-oriented bill of the hon. member for Assiniboia (Mr. Douglas). It makes me wonder whether he is really proposing this bill due to some unfortunate, unhappy events which have happened to him in the west or whether he has done any thinking whatsoever about the notice of motion he has introduced in this House.

• (5:40 p.m.)

It seems to me the hon. member who introduced the motion took a good deal for granted. Many members in this House come from rural areas; I do myself. I was born in Alberta not far from the hon. member for Battle River (Mr. Downey), and a neighbour of mine is the hon. member for Assiniboia. The people in the area I represent are just as concerned about unhappy events which have taken place in the past as are those who live in the constituency of the hon. member or, indeed, in any other constituency represented here. If notices of motions are to be used in this House for the sake of political opportunism, I think the hon. member is wasting the time of the House and that other methods should be used for drawing attention to these matters.

Some hon. Members: Shame!

Mr. Skoberg: The hon. member drew attention to the strike at the port of Vancouver less than a year ago. But he failed to draw attention to the fact that the president of the Saskatchewan Farmers' Union had an understanding with the union involved that no wheat would be held up due to lack of handling.

Mr. Whelan: The Minister of Labour (Mr. Mackasey) did that. Keep the record straight.

Mr. Skoberg: Last spring there were many ships waiting in the harbour at Vancouver. Many boxcars were scattered around the country; there were no locomotives to pull them. There was a great deal of No. 2 Northern to be hauled. The transportation system had broken down. Some hon. members would like to represent the situation as being different from what it was so as to provide an excuse for the motion we are now considering. I would point out that when this strike was on in Vancouver and when the ships were supposedly tied up, the SFU and the NFU—at that time they were separate—had an understanding that the grain would be handled. In spite of this, the hon. member for Assiniboia refers to unhappy and unfortunate events.

Mr. Speaker, the people of this country are well aware of the importance of free collective agreements. As time goes on and more people are affected by the economic ills of this period, they will realize even more clearly what negotiation and collective bargaining mean. The hon. member for Assiniboia is quite familiar with collective bargaining by the National Farmers' Union at the present time. The hon. member for Assiniboia appreciates, I realize, that the people generally must have representation. He knows the people realize that both management and labour are responsible. No one has suggested otherwise. We must also as a people decide whether what we are seeking is true collective bargaining or not. If our goal is industrial peace at any price, the way has been pinpointed by a number of countries including Nazi Germany and Fascist Italy a number of years ago. We know what was done by those countries which insisted on industrial peace at any price. People who refuse to subscribe to a policy of industrial peace at any price are surely not willing to endorse a policy of compulsion.

Let us consider the social implications of compulsory arbitration. The Dictionary of Sociology and Related Sciences suggests that arbitration is the process of referring disputes between employers and employees to a decision of impartial adjudicators whenever a collective labour

agreement provides for the machinery of impartial adjudication. Compulsory arbitration, according to this dictionary, refers to a requirement that both parties submit their disputes to arbitration whether the collective agreement calls for it or not. The intent and definition of the word "compulsion" indicates a situation or process in which a person or group feels forced by external threat or danger to act against what had previously been in his or its interest and will or, alternatively, the act of compelling a reluctant person to perform acts against which the ego rebels.

It can readily be seen from this definition that compulsory arbitration is repugnant to our way of life in this country. The Minister of Labour should have a serious talk with his hon. friend from Assiniboia and tell him what his specialized industrial branch is all about. I am sure the hon. member would learn a great deal; the object is to beat out brush fires before they break into open flame threatening everything surrounding them. The desire for compulsion comes from political opportunists in a hurry to get somewhere, anxious to take up the cudgels because they believe the majority of people are not aware of the realities of the situation.

The hon. member suggested that this would be a temporary situation, one which would not last. But all of us, including the mover of this motion, should realize that to force unnecessary and undemocratic compulsory arbitration upon members of any society can result only in social demoralization or the loss of group morale, or the breakdown of personal habits, attitudes and social values through which individuals or groups of individuals maintain normal adjustment within society.

Mr. Foster: Who wrote that?

Mr. Skoberg: We have seen such a situation come about in many departments of government. We have heard ministers tell us what they intend to do to certain people. Mr. Speaker, you cannot talk to people in that way. There has to be meaningful negotiation, but it is not possible for there to be meaningful negotiation under the threat of compulsion. In order to bring about compulsory arbitration it is necessary to take away the rights and privileges of some of our people. The hon. member for Battle River expressed concern about work stoppages which affect every area of the country, but at the same time he realized that each individual is entitled to a fair share of the products of our society and to an equal opportunity to express his wishes even if this means a little hardship at the time.

It is not hard to say we ought to pass legislation to take the place of collective bargaining. I would point out, however, that collective bargaining in Canada has a very good record. There have been instances, of course, when it has fallen down, with the result that other means have had to be found to take its place. Nevertheless, I believe the majority of the members of this House are reluctant to vote for bills calling an end to strikes.

In Saskatchewan we have experienced a situation in which the Premier of the province has crawled on the bandwagon, supposedly in the name of the people he claims to represent, and promises to call an election on the issue of work stoppages if he can. Mr. Speaker, the people of Saskatchewan are much better versed in these matters than they were in days gone by. I am confident that anyone who attempts to use a manœuvre of this kind, either in this House or in the provincial legislature, will find his is a voice crying in the wilderness.

• (5:50 p.m.)

Labour-management disputes cannot be solved by means of compulsory arbitration. This cannot bring about increased peace on the labour front. Any member of this House who has had anything to do with the labour movement will appreciate that. What has been lacking is a really meaningful attempt by both labour and management to sit down and negotiate a true collective agreement. The government will not bring this about by passing legislation to provide for compulsory arbitration. The government cannot exercise compulsion in the sense of saying that unless the parties negotiate, compulsory arbitration will hand over their heads. I am sure no one here would like to see this state of affairs.

As I have said, compulsory arbitration brought about by the state will never succeed in replacing true collective bargaining. This is why I hope no member of the House will support the notice of motion that is before the House at this time. It seems to me that to do so would be an indication to the entire world that labour and management in this country are unable to look after their own affairs.

There are three items that must be considered, I suggest, in all collective bargaining processes. If these items had been considered hitherto, the hon. member for Assiniboia would not have felt impelled to introduce a

motion of this nature. I suggest that if prices, incomes and profits were taken into consideration in collective bargaining, no employee could justify an increase in his take-home pay unless prices had gone up. I am positive that every area of community life in this nation would be quite prepared to accept this proposition, and this is the way in which we will finally have to resolve our differences. It has been said that we should pass legislation to provide for the postponing of some labour disputes. I repeat that compulsion does not settle a dispute; all it does is postpone it.

I realize there are other hon. members who would like to say a few words before the vote comes at six o'clock, so in conclusion I contend that if we really mean what we say when talking of a free collective society, there is no place for compulsion whether it be in reaching collective agreement in this House of Commons or in any other sphere of Canadian life.

Mr. C. Terrence Murphy (Sault Ste. Marie): Mr. Speaker, a lot has been said over a number of years on the question of arbitration. It has been argued that it is a speedy way to settle disputes, but that has not always proved true. It has been argued that it is a cheap way of solving disputes, but neither has that always proved true. In many cases it has been argued that it is the only final way to solve a dispute. Again, we know that in many cases the so-called final word is taken into court, lengthy court proceedings ensue and the court very seldom interferes with the findings of the arbitrator. In other words, the end result is invariably the same: you leave one party which is very unhappy.

We have also been told that arbitration is fair. Arbitrators, like everybody else, are human beings and as human beings are subject to error. In this particular case, because of the binding nature of what is an erroneous award, the error is perpetuated forever: the result, again, is an unhappy party to a dispute and in many cases wildcat strikes and things of that nature follow.

Arbitration has been in our law for some 25 years and is used in the context of being a tool in the collective agreement system. It is used to interpret the meaning of collective agreements; it is used to determine whether or not there have been violations of collective agreements; it is used to interpret various clauses in collective agreements. In this sense it has been acceptable both to labour and to management.

However, in its application no fundamental rights either of labour or of management are brought into the dispute. In this type of arbitration there is nothing that might infringe on the basic right of labour to manage its own affairs, for example, or on the basic right of management to control and to run its business in the way it thinks best.

Arbitration has also been accepted by labour and management because, in effect, it is put forward as the sort of *quid pro quo* for the elimination or abolition of the right to strike and lock out during the term of a collective agreement. However, when we talk of compulsory arbitration, instead of talking of collective agreements, the right to strike and lock out, we move into an area that neither labour nor management would find acceptable.

In the collective bargaining process as we have come to know it, both parties bring to the table the issues at stake, even those issues that involve the fundamental rights of labour and management. If this system were replaced by compulsory arbitration, bargaining would become almost impossible. While management is at the present time not quite willing to negotiate such matters as doing business in its own way, profit-sharing and location of plants, and labour is not quite willing to negotiate such matters as the conduct of the internal affairs of a union, union security andd job abolition, if the present system were replaced by mandatory arbitration which was binding everything would be put on the table in the hope of finding favour, of coming out on top in the bargaining deal no matter the consequences for the industry involved. This would not lead to good labour relations or to economic peace in the labour field.

It is a fallacy that compulsory arbitration is an infallible solution to the problem of labour unrest. This might be true if we were living in a non-competitive world; it might be true if we were living somewhere other than immediately to the north of an industrial giant; it might be true if unions and management were prepared to accept awards whether reasonable or unreasonable, just or unjust.

Mr. Speaker, I suppose I have run out of time.

Mr. Speaker: The hour assigned to the consideration of private members' business has now 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.

GOVERNMENT ORDERS

LAW REFORM COMMISSION BILL

ESTABLISHMENT, OBJECTS, POWERS AND DUTIES, ETC.

The House resumed consideration of the motion of Mr. Turner that Bill C-186, to establish a commission for the reform of the laws of Canada, be read the second time and referred to the Standing Committee on Justice and Legal Affairs.

Mr. Melvin McQuaid (Cardigan): Mr. Speaker, I should first of all like to extend my congratulations to the government and, of course, to the minister for bringing in this long awaited and much needed piece of legislation. A reform of our laws is something which is long overdue. I only hope that this move on the part of the government will not prevent if from following through on something else which is badly needed and which I understand is under way at the present time, that is, a revision and consolidation of the laws of Canada. I understand this is presently being developed and it is something, of course, which will be welcomed by the members of the legal profession who have to refer quite often in the course of their practice to the statutes of Canada.

The purpose of this legislation, as I understand it, is to keep under review on a continuing basis the statutes of Canada. I was very happy to hear the minister say this afternoon that one of the items which would receive top priority was a revision of the Criminal Code of Canada. This is very necessary because there are many obsolete provisions in the Criminal Code which probably at one time served a useful purpose but which now have no place in our law. I made a hurried review of the code this afternoon and found Section 72, for example, which states:

> Every one who
>
> (a) challenges or attempts by any means to provoke another person to fight a duel . . . is guilty of an indictable offence—

That provision, of course, is no longer necessary under Canadian law. I do not think too many duels are fought at the present time.

Section 179(h) provides that no person shall for valuable consideration carry on or play or offer to carry on or play, or employ any person to carry on or play in a public place or a place to which the public has access the game of three-card monte. I wonder how often three-card monte is played in modern society. These laws, of course, were probably necessary at the time the code was originally drafted.

Then we have section 308 which provides:

> Every one who fraudulently
>
> (a) pretends to exercise or to use any kind of witchcraft . . . is guilty of an offence punishable on summary conviction.

I do not think there is much witchcraft practised in Canada today; at least, I hope there is not.

Mr. Knowles (Winnipeg North Centre): There is some by the government.

Mr. McQuaid: These are some of the anachronisms which are presently contained in our Criminal Code and which only take up valuable space. They should be deleted. For that reason I was particularly happy to hear the minister say that one of the first things which would be considered by this law reform commission would be the Criminal Code, with a view to revising it where necessary after taking a close look at it.

For the most part this is a good bill. There are some provisions to which I think some objection can be taken. One of the things which bothers me particularly is the tremendous power vested by this bill in the Minister of Justice (Mr. Turner). I have every confidence in the present Minister of Justice, but there will come a time when he will no longer occupy that position. If we pass the statute in its present form, we will be giving very great powers to people of whom we have no conception.

The bill provides that every appointee to the law reform commission must first have the approval of the minister. In other words, no man can be appointed to this commission unless he has the approval of the minister. Clause 3 of the bill provides:

> A commission is hereby established to be known as the Law Reform Commission of Canada, consisting of a chairman, a vice-chairman, two other full-time members and two part-time members to be appointed by the Governor in Council on the recommendation of the minister.

So the minister actually is the man who will say who shall comprise this commission. Under clause 7(2) the minister will decide what remuneration shall be paid to part-time members. In other words, he will say what money the part-time members will

receive for their services. I suppose the minister will naturally be anxious to have people as competent as possible appointed to the commission, but I think this provision gives him a little too much power when it suggests that he in his own discretion shall decide how much money these people are to be paid.

Let me refer to clause 12 of the bill which provides:

In carrying out its objects, the commission (a) may receive and consider any proposals for the reform of the law—

It does not have to receive them, but it may receive them. Then it goes on to state that the commission—

• (8:10 p.m.)

—shall, in accordance with any programs for studies described in paragraph (c) that are approved by the minister, undertake or direct the undertaking of studies—

In other words the minister, not the commission, shall decide what studies are to be undertaken. Further, it states that the commission—

—shall, with the concurrence of the minister and to the extent that the commission is able to do so without, in its opinion, impairing its ability to carry out any studies that have been or are to be undertaken by it pursuant to paragraph (d), provide information, research material and study results and make recommendations to departments—

In other words, only with the concurrence of the minister can the law reform commission do these things. Then we find this provision:

The commission shall include in any program for studies prepared by it pursuant to paragraph (c) of subsection (1) any study requested by the minister—

The only study it can undertaken is one requested by the minister. Then it states:

—and the commission shall, in determining its priorities for studies in relation to any such programs, be governed by any request so made to it.

Therefore, the commission must be governed, not by its own feelings or its own discretion but rather by what the minister says. Clause 13 states:

The commission may in its discretion and with the concurrence of the minister undertake any particular study—

As I see it, the whole thing depends on what the minister says. This commission is to be composed of six or seven men, at least five of whom must be either judges or barristers of at least ten years' standing in the profession. Surely, if we are to have a commission made up of such qualified men as these we should be able to leave to their discretion what they should undertake and what recommendations they should make, rather than have them under the direct control of the minister. I submit that the bill leaves too much discretion in the minister and not enough in the commission itself, which of course would be composed of very eminent and highly qualified people.

The bill provides, further, that the commission may receive and consider any proposals for the reform of the law. I only hope the commission will try to do this as closely as possible to its base. One thing that has astounded me is the tremendous amount of money involved in sending committees and commissions all over this country to study problems which in many instances could be studied just as carefully here in Ottawa.

I took the time to look up the record. I find that last year the Agricultural Committee in its eastern and western tours cost this country $65,711.88. The Committee on Transport and Communications visited Charlottetown, which is not very far away. That trip cost the taxpayers of this country $18,244.35. The Committee on Broadcasting, Films and Assistance to the Arts travelled only to Montreal. That trip cost $3,796.87. Last year the External Affairs Committee went overseas to visit the NATO bases. That trip cost $19,093. Then it went to Halifax, at a cost of $1,150. The Committee on Fisheries and Forestry last year travelled to the west coast. By the way, I was a member of the committee and took part in that trip. The cost involved was $53,295.29.

An hon. Member: And you were on it!

Mr. McQuaid: The Indian Affairs Committee did some travelling at a cost of $18,598.25. The Committee on Privileges and Elections, which made only a couple of trips, incurred expenses of $9,195. The Committee on Transport and Communications spent $81,299.36. If you look at all the figures you will find that last year—just one year—it cost the taxpayers of this country $293,529.23 to send our committees all over this country to do work which I suggest in many cases could have been done just as conveniently and efficiently here in Ottawa.

I believe it would be much cheaper to bring witnesses to Ottawa than to have committees travel all over Canada. Although this commission, naturally, will have to inquire into many aspects of the law or reform of the law and

during the course of its inquiries will probably have to hear witnesses, and so on, I express the sincere hope that its work can be done here in Ottawa so that the commission will not have to travel across the country at tremendous expense to the taxpayers of Canada.

Previous speakers have referred to the composition of the commission. It is to consist of a chairman, a vice-chairman, two full-time members and two part-time members. This is a permanent commission of four, with two part-time members, making a total of six. Of these six, the chairman, the vice-chairman, one full-time and one part-time member must be judges or barristers with at least ten years' experience at the Bar. Although this is to be a commission established to study reform of our laws, I am not so sure it should necessarily be comprised of so many judges or lawyers. Such people are expensive.

If the commission is to operate efficiently, it must be composed of qualified men. In order to obtain qualified barristers, we will have to pay them. Aside from that, it is possible that laymen could make a valuable contribution to the work of the commission. It states in the bill that four of the six commissioners must be lawyers or judges, but it does not say that the other two may be laymen. In the discretion of the minister, all six may be judges or lawyers. I suggest to the minister there should be a provision in the bill which would guarantee that at least a certain number of lay people would form part of the commission. It could be two or perhaps three, but let us make absolutely sure that laymen are included.

A clause in the bill gives the commission authority to engage professional help. In that clause, however, it is the minister who is to decide how much money should be expended for that professional help. I suggest this decision should be left in the hands of the commission. If we are to have a responsible commission, I think we should have enough confidence in them to allow them to obtain professional services at a proper cost. As I say, as the bill is presently drafted it would appear to me that there is a little too much power vested in the minister. That power should be delegated to the law reform commission itself.

• (8:20 p.m.)

These are some of the matters to which consideration should be given when the bill is brought before the committee. Unfortunately, our experience in committees is that the government and the minister seem very reluctant to make any changes to a bill as originally drafted. Those of us who have served on committees must be impressed by that fact: no matter how strong or logical an argument one puts forth, it seems almost impossible to convince the powers that be that some changes could satisfactorily be made to the bill as drafted. I do not know why this should be.

Actually, this is what we have committees for—to study bills in every detail, to make recommendations to the minister and subsequently to report to the House. So while I do not have very much hope that many changes will be made to this bill at the committee stage, I suggest very seriously to the minister that he give consideration to some of the changes which I feel would make the bill more workable and which would incite the committee to do a better job.

After all, if you are going to appoint a committee of competent men, you must have confidence in them; and if they are going to do a good job, they must feel they have some leeway in their work. As I read the bill, the law reform commission will not have too much leeway. All it will be able to do is make recommendations which then must be approved by the minister.

The minister pointed out this afternoon—this is a good feature of the bill so far as it goes—that he is required to report to the House on the work of the commission. But I call the attention of the House to clause 18 of the bill which states that the minister shall, within 15 days after the approval by him of each program of studies, make his report to the House. He does not necessarily have to make a report to the House of every program of studies recommended by the commission, but only of programs of study which have first been approved by him.

Why should he not be required to report to the House on all the programs of studies which have been recommended by the commission? He is the one who decides which programs shall be submitted to the House. A very worth-while program of studies, at least in the opinion of the commission, may be submitted to the minister but he only reports to the House on those which have first been approved by him.

These are some of the things which I feel have a tendency to destroy our democratic system of government. I do not care how confident a minister is, after all, he is only a human being and he has all the failures of a

human being. I feel it is wrong to put too much power in the hands of any one man. I am afraid this is what the bill does. As I said, it has many good features and this type of legislation is long overdue. However, I hope the minister will give serious consideration in committee to making changes along the line of some of the recommendations which have been made during the second reading stage.

Mr. F. J. Bigg (Pembina): Mr. Speaker, a full review of the Criminal Code is long overdue and I am pleased that Bill C-186 envisages reforms on a very wide range of subjects. If the House will bear with me for a few minutes, I would like to outline a few areas requiring reform which have come to my attention, especially during my career as a law enforcement officer.

I agree with previous speakers who have expressed the hope that having set down that the chairman and vice-chairman of the commission must be chosen from among judges or notable members of the Bar, this commission would be better balanced by ensuring that some of the appointees come from branches of society which have to deal with the law from the people's point of view, or at least from the point of view of people who have had to administer the law at the grass roots level. I say this because there is no branch of public life wherein greater harm can be done than when law is divorced from common sense.

So right from the start I hope—because the duration of the appointment of these people might be for as long as seven years—that great care will be taken to appoint men who have experience in the humanities. I will not make any suggestion beyond that. I think that all those within sound of my voice know perfectly well what I mean.

I am alarmed at the sweeping powers given in this bill to a minister of the Crown. I do not know that this is necessary, particularly in view of the fact that our House of Commons is being subdivided into committees of specialists. I would like to see whether the committees system will really blossom into full flower and produce the results which I know it can produce if given the power. Committees should have a great deal to do in seeing that the intentions of Parliament, when we put something into statute form, are carried out.

I for one do not know any one person to whom I would be willing to delegate full and supreme authority in such an important matter as law enforcement throughout the country. It has worked reasonably well in the past perhaps, but with the high incidence of well-organized crime—I might say even international crime—we have to ensure that every safeguard is taken to give a fair and just hearing to everyone.

It appears to me that there is a danger when a minister of the Crown is given such tremendous authority, not only in issuing his fiats for the prosecution but in withholding them. If any lawyer in Canada wishes to look them up, he can read the record of notable cases where the file has not been used when it should have been used. Unfortunately, we can also say that in the hands of unscrupulous men the power to put out the long arm of the law to padlock people out of their rightful places of assembly or of business has been abused.

It is not always possible for the little people, particularly, to go to the higher courts of the land to obtain justice. I have every respect for our Supreme Court of Canada, but one can get to that august body only if one can afford the tremendous costs involved and has the time for the long delays necessary to get there. I have read some of the judgments, to which I take off my hat and which I respect; but it is a long and hard road for the small man with limited means to get to that high court. Perhaps this subject is not too wide in scope and is within the terms of the statute and the powers we will give the commission to enable it to look into this and related matters.

• (8:30 p.m.)

In fact, as I see it the terms of reference contained in this legislation and the powers of the commission should be such—with the few exceptions mentioned by the previous speaker—that the whole gamut of Canadian law can be reviewed. I apply the same caveat to this subject; that where there are abuses, I do not think it should be left in the hands of any one minister of the Crown to say what subjects are to be reviewed or even what priorities are to be assigned to them.

We have within Parliament a fully capable justice committee. We have plenty of jurists to serve on it, with a total of hundreds of years of experience at the Bar. They are quite competent to report to Parliament and to work in liaison with the executive arm of government and this commission which, as I say, I hope will make a full investigation into every branch of our law.

There are certain things which I hope the commission will look into very carefully. Whether you attack the problem from the point of view of the lawyer who is defending or the lawyer who is prosecuting, from the point of view of the lesser officials of the court, or whether you are one of the principals in an action, you must be impressed—although sometimes dismayed—by the archaic laws of evidence which we have to assist the courts in bringing justice to everybody concerned. All too often these laws of evidence, which are supposed to protect the innocent and give redress to those who are wronged, tend to shelve the whole problem—sometimes to protect those who are most guilty and to give little redress to those who need it.

The hon. member for Peace River (Mr. Baldwin), who is an experienced man in these matters, touched upon the law of insanity which in its present form is far from adequate. With up-to-date psychiatrists, psychologists and criminologists working together it should be possible to devise something better than the M'Naghten rules so that people will not be able to hide behind faked insanity.

The question of bail has been brought forcefully to my attention on various occasions. Recently the law on bail has been improved, but it is still very difficult for a young lad with no means and of no fixed abode to escape the first inequity of the law. If he has no family, no money and nobody to speak for him, he may languish in jail for a considerable time. At the end of that time, whether innocent or guilty, he has been behind bars—and that is not a good place to be. I venture to say that with our modern methods of keeping track of people and the great stake our young people have in their own security, most young men are hardly likely to leave the country. Bail, after all, is just a guarantee to the court that the living body of John Doe will appear to answer the charge laid against him.

Many young people who are without support are away from home trying to establish a home of their own. They do not have the physical resources, in terms of money, to return home. I speak from experience when I say it is all too easy to round up all the loose lads in town under the pretext that you think they have committed a crime. It is a serious matter to these young boys and to society as a whole. A young offender—and he is not always an offender; he may be just a suspect—occasionally has his future course of action dictated by his first contact with the law. That first contact often sets the path for him—whether he returns to be a productive member of society or whether he sets off on the road to crime.

In fact, if a young boy is innocent and is badly treated during that first contact with the law, he may very well turn to a life of crime. If a young man has been under arrest for three or four weeks in a new community, and everybody knows about it, it is difficult for him to convince the public that he has been held without bail though innocent of any offence.

I hope the commission will also be rapidly seized with the problem of seeing what can be done to standardize many of our quasi criminal statutes, such as our traffic laws and liquor laws, which stipulate certain criminal offences of which we are all guilty from time to time. There is no uniformity in these laws across Canada. You would have to be a Philadelphia lawyer to know what your rights are when you take a drink or park your car in every jurisdiction in Canada. Surely it is not beyond the powers of the federal and provincial ministers of justice to devise some kind of consensus on what normal standards of Canadian behaviour should be in this regard. I hope the commission will feel free to recommend, if necessary, changes in our constitution which will make this possible. If it is impossible for provincial officials to give up their power to the federal authority in this respect, and vice versa, surely this is a question concerning the good of Canada; therefore, I hope the commission will quickly be seized of that problem.

A great effort should be made to standardize penalties across Canada. There is a ridiculous spread between what happens to various law offenders in this country. You will hear of a case, perhaps in British Columbia, where a boy goes to jail for six months for stealing a packet of cigarettes. In another place he will get a suspended sentence. If you are languishing in jail for six months, and you know of a friend of yours who got a suspended sentence for the same offence in another jurisdiction, it is quite natural for you to feel badly treated. The fact that a person knows what the penalty will be under the law can be a deterrent of itself in a great many cases. It is an assurance that a person knows how he will be treated. And if we achieve uniformity in penalties, a great deal more can be done between magistrates and judges to work out some kind of uniformity in the treatment of offenders.

People are sometimes more careful when penalties are spelled out in the statutes. Now there is no escape when one is found guilty on a charge of drunken driving. As already noted by Canadian law enforcement officers, the very fear of being nabbed by the breathalyzer has had a considerable effect on the driving public. They are afraid of a scientific test. A breathalyzer reading of .08, whether it is a fair level or not, is a scientific measurement; and when a driver knows he is near .08 he becomes quite concerned about getting into jeopardy with the law.

• (8:40 p.m.)

I think a great deal can be done if this commission will get together with the attorneys general and other law enforcement people in the provinces to work out standard methods. As every lawyer knows, there are different rules of procedure in every province of Canada. If they were standardized, a lawyer who takes his training in Ontario, say, would feel at home practising in any other province. It may be that some of these rules have been handed down from the old family compacts, the monopolies of ancient times, but many of these old monopolies and outworn procedures are going by the board today. This is one field in which I think a revamping of our whole attitude to public service should be gone into very thoroughly.

It would be very helpful—though perhaps this is asking too much—if the commission could take our courts and the appointment of judges out of day-by-day politics. I have often said that I do not like to see Crown corporations created, though they are above politics, and I know the people who recommend them are just trying to do what I am recommending now, that is, they are trying to elevate certain areas of our public service out of the realm of dirty politics.

Though the appointment of judges has been very fair in the past, it is an area that might well be looked at. While they are at it, the commission might look into the circumstances when a judge is suspected of violating the very high standards of behaviour expected of him in public life. We had an example of this a few years ago when it was deemed necessary to bring a judge before a parliamentary committee. Whether that particular judge asked to come before the committee is irrelevant, is history. I know I was shocked at the time, and sometimes the methods used appear to be those of the Star Chamber. This commission might look into the question of how judges are to be disciplined if necessary. There must be a better method of removing a judge than treating him as though he were guilty of a traffic offence.

There is, and should be, a standard of the highest order for appointees to the bench; but there should be no hiatus in the law when stern action is required to ensure the maintenance of those high standards. Judges should know the terms of their appointment and should know also, should the occasion arise, what sort of tribunal will be seized with the responsibility of determining whether they are fit to continue to serve in that capacity.

They should also know, of course, whether they have earned any part of their retirement allowance. In this day and age their security is as inviolable as anybody else's and the terms of their appointment should be clearly set out. Let us not be inverted snobs and say that a poor man has rights but a judge has not: he has the same rights in the tribunals of Canada, from the magistrate's court to the Supreme Court, as anyone else. I do not think the case to which I have referred was handled in a very dignified manner and consequently I should like this question to be one of the terms of reference of the commission.

I am not happy that the personnel of this board should be restricted necessarily to judges and lawyers in the strict sense that they must be on the bench or barristers. If we could get men of international renown such as the great international lawyer Freidman who sat at the Nuremburg trials, they should not have to qualify as a member of the Bar of Canada. Then there is Mr. Finkelman, who has made a great contribution to labour law and who knows the law from the grass roots, from the mines to the lumber camps and the lower echelons of labour in the country. This is the type of man who knows how a criminal code or labour code will work amongst the masses.

When this bill goes to committee, as I presume it will, for further study I hope this aspect of the matter will be looked into very carefully. I think it is a little restrictive in this respect and I am sure it is within the prerogative of the minister, in the final decision, to accept men such as the two I have mentioned who may not necessarily have practised at the bar but who perhaps have as great a knowledge of jurisprudence and the interpretation of statutes as anybody in the country. Very often it is in the misinterpretation of statutes that injustice occurs. The intention of Parliament is often frustrated because statutes have not been properly

framed. Therefore, it is important that the men appointed to this commission be very well-balanced men who are not only conversant with the law as written but as it is interpreted and practised.

It seems to me, Mr. Speaker, that the Interpretation Act, which governs all the statutes of Canada, might be thoroughly gone over at the same time. There are occasions when a witness is given the protection of the Canada Evidence Act, and this act should also be overhauled. We do not want mere words to frustrate the intention of the Criminal Code of Canada. As we all know, there is a danger in codifying a law as it is then liable to lose an element of common sense. The written word is often taken as the true spirit of the law, so it is most important that the right people are put in the position of framing laws. It is practically impossible to interpret a stupid law, so it is of utmost importance that the law be properly framed in the first place.

I would be satisfied with the type of law which they have in England, the English common law. If we codify it and say on paper what the statutes are, we will cut down the human error of judges. We must be very careful about what is put on paper. It must be wisely done, clear and practically beyond argument, if that is possible. Not only must the new statutes be clear, but the interpretation statute which governs them must be even clearer. The responsibility upon this commission and upon the men who are to oversee it is of the highest order.

• (8:50 p.m.)

In closing, I wish to repeat the warning that was given by the previous speaker. I do not think any man is sensible enough to make these decisions by himself. If I were minister of justice I would want to share this responsibility with a well-informed committee of the House. I know that is the minister's intention. I know he would not act unilaterally or arbitrarily with the great powers which are shown in this bill, but the danger is that when sweeping powers are incorporated in an act, they can be used in that manner.

I would like the minister to spread the responsibility so that no minister who got too big for his boots could say, "It says in the act that I am Pooh-Bah, and I need no help." Perhaps when the bill goes to committee some attention will be paid to these few remarks. I thank the House for its attention.

[Mr. Bigg.]

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, this has been a lawyer's day. I suppose I am committing a foolish act to get into this debate, but it seems to me that there is an emphasis that a non-lawyer might be permitted to make. Such law as I have learned I have picked up in this House, so if I have any wrong ideas the lawyers about me will have to take the blame.

I understand when one looks at the law he is supposed to look at the words and draw from them their plain meaning. As I read Bill C-186, it refers to all the laws of Canada. No one has denied that, but most of those who have taken part in this debate have spoken as though this bill related to the criminal law and the laws governing the courts, the laws dealing with people who get into trouble with the law. I am sure that it does have that meaning and significance, but that is not all it means, for I come back to the plain and simple language that I find in the bill which is to the effect we are setting up a commission to review all of our laws. Perhaps I might read a few words from clause 11:

> The objects of the commission are to study and keep under review on a continuing and systematic basis the statutes and other laws comprising the laws of Canada—

That seems to say that we are giving this commission the power and responsibility to carry on a continuing review of all the laws of this country. I think that is a good idea. There are a good many of them that need to be reformed and brought up to date. I notice also with respect to all of the laws of Canada that this commission has the right to make "recommendations for their improvement, modernization and reform, including, without limiting the generality of the foregoing", and so on. That is a lovely legal phrase which I very much enjoy. I then come to these words:

> (a) the removal of anachronisms and anomalies in the law—

I look to the Minister of Justice (Mr. Turner) and I say, "God bless you. You are what we have been waiting for for a long time, someone to come into this House and say we need to remove the anachronisms in the law, not just in the criminal law, not just the laws respecting the courts, but in all the laws of Canada."

I recognize the fact that this commission is not going to change any law; it is only going to make recommendations. This commission is not going to become superior to Parliament itself. I again say, thank God for that. Nevertheless, this commission in the pursuit of its

responsibilities does have the right and authority to study all the laws of Canada with a view to removing anachronisms and anomalies in the law. I note also, Mr. Speaker, that the commission in carrying out its objective will have the right to—

—receive and consider any proposals for the reform of the law that may be made or referred to it by any body or person—

It could not be any wider nor any more sweeping. Any body or person in Canada who thinks that any Canadian law has in it anachronisms or anomalies may ask to appear before this commission and request the commission to consider recommending the removal of those anachronisms or anomalies. How long have I got, Mr. Speaker? Have I got long enough to list all the things I can think of that are anachronisms or anomalies in our law? We have had examples today of things that are wrong in the criminal law and in the laws respecting our courts.

What about the provision in our pension legislation that says that a pension increase cannot be more than 2 per cent in any one year, no matter what happens to the rise in the cost of living? Surely, Mr. Speaker, that is now an anachronism. Possibly that 2 per cent ceiling was all right a few years ago when the cost of living went up on the average by about 2 per cent a year, but now that it is going up at the rate of 4 per cent or 5 per cent a year, is not that provision an anachronism? Is that not something this commission should study?

I am looking at my good friend who is sitting behind the Minister of Justice, the Minister of Veterans Affairs (Mr. Dubé). He must be aware of some anachronisms in the laws for which he is responsible. The rates of allowance paid under the War Veterans Allowance Act had some meaning and significance a few years ago, but surely they are out of touch with the times. Surely they are anachronistic. I submit that this commission should consider recommending that those rates be increased, as was suggested by someone today, perhaps 25 per cent to celebrate the 25th anniversary of the ending of World War II.

I mentioned the pension situation. There is in the guaranteed income supplement legislation a provision whereby under certain conditions people can get the amount of their supplement adjusted in a calendar year, but under certain other conditions they have to wait one, two or three years. The Minister of National Health and Welfare (Mr. Munro) has admitted that this is an anomaly which has to be straightened out. I am not putting words into this bill: they are there. There is an anomaly, and I hope the commission will be able to consider anomalies of this kind.

• (9:00 p.m.)

I can think of some other things in our laws which need changing. There are provisions in the laws of Canada which distinguish Indians from the rest of us. We have an Indian Act—

Mr. Speaker: Order, please. I hesitate to interrupt the hon. member in his very imaginative approach to this proposed law. I shall allow the hon. member to pursue his argument, but I am wondering whether we might not be opening the door at this stage to a general debate, which might go on for many days, about everything in the laws of Canada which could be deemed to be anachronistic.

I have serious doubts as to whether this approach is the right one, and whether the anachronisms referred to in this bill are of the type to which the hon. member is referring at the present time. I mention this to protect the position of the Chair in due course. But again I say that the hon. member will be allowed to pursue his interesting and imaginative remarks on this bill.

Mr. Knowles (Winnipeg North Centre): I should like to assure Your Honour that I do not intend to develop the arguments which you have heard me develop many times with respect to the issues I have raised. I still wonder, though, whether what I am doing is imaginative. I think it is straightforward common sense. Your Honour has said that this type of speech might open the door to a wide-ranging debate. Well, I did not bring in this bill; it is my friend the minister who brought in this bill the purpose of which is said to be the reform of the laws of Canada.

I heard the hon. member for Calgary North (Mr. Woolliams) say in an aside a few moments ago that it related to the criminal law. If I misheard him, he will correct me. But the bill does not say that its purpose is the reform of only the criminal law. It says it is for the reform of the laws of Canada. I see I am getting smiles from all over the place. I would be happy if someone would rise on a point of order and show me where I am wrong.

The language is as clear as can be: it speaks of a commission to study and keep under review the statutory and other laws comprising the laws of Canada. Somebody

says the commission will have to study the criminal law, the laws of evidence, the law respecting our courts and their functioning. Do we not have to look, also, at the Indian Act and ask whether it is not anachronistic that it should contain provisions which are different for Indians than for other Canadians?

What about provisions in our laws which discriminate against women? The fact that there has to be special legislation to provide certain rights for women—

Mr. Gibson: On a point of order, Mr. Speaker, in my submission the hon. member is following the same line as he was taking before he was overruled by the Chair.

Some hon. Members: Oh, oh!

Mr. Knowles (Winnipeg North Centre): I welcome the point of order. I wish the hon. member would tell me where I am wrong.

Mr. Speaker: Order. I would point out to the hon. member for Hamilton-Wentworth (Mr. Gibson) that the Chair did not overrule the hon. member for Winnipeg North Centre (Mr. Knowles). I expressed misgivings about the interpretation which he applied to this bill; I thought the hon. member's approach to it was rather generous. But having said that, I indicated I would not prevent him from pursuing further this interesting approach to the measure now before us.

Mr. Knowles (Winnipeg North Centre): I thank you for your observations, Mr. Speaker. The reason I said I would welcome the raising of a point of order is that, after all, you and I cannot have a discussion about this on the floor. I recognize you seem to take the view—and, after all, you are a distinguished member of the Bar—that in some way the bill is limited, that it does include all these things. I wish somebody would rise and tell me, quoting chapter and verse, that its scope is limited to the criminal law.

Mr. Woolliams: That was the intention. I think you missed it.

Mr. Knowles (Winnipeg North Centre): The hon. member says this was the intention. But I doubt that my learned friend would attempt to argue in court that the intention behind a law amounted to very much as practical consideration. What counts in court is what the law says, not its intention. If, after this commission has been set up, I as an individual, or along with other people, go before it and ask to be heard with respect to the reform of any Canadian law, I do not see how the commission can refuse to hear me or the group with which I might be associated. That is why I welcome this bill and express the hope that its scope is, indeed, as wide as it reads.

I do not want to get hon. members thinking that I intend to ride a number of my hobbies and make a long speech on subjects in which I take a particular interest, but perhaps I can still name a few titles. I think there are some anomalies in the income tax laws. I think there are anachronisms in the Immigration Act. I think the minimum wage law is out of date. I think our freight rates legislation is anomalous as far as the various parts of Canada are concerned.

I have already said I do not want the commission to become superior to Parliament. It is Parliament, after all, which will decide these matters. But I think it is an awfully good idea that a commission should be set up to review the laws of Canada and make recommendations to the minister and, through him, to Parliament in cases where it feels there are anachronisms or anomalies in the laws of this country. I simply hope that full advantage of this law will be taken by the commission and by the people of Canada.

When I first saw this item on the Order Paper I thought it was a wonderful idea—a bill for the reform of the laws of Canada. Even before I read it I thought of everything from the ten commandments to the most modern laws we have. They are all good for reform. No, I shall not go over those first ten! It has been suggested I am following an imaginative approach to this bill. Maybe I am, but at the same time I am deadly serious because there is a mass of anomalies and anachronisms of the kind of which I have directed attention. Their rectification is part of the political process.

We argue for these changes on the floor of the House. But I think it would be useful, too, to receive recommendations about these things from a body as responsible as the one which is to be constituted by this bill. I therefore welcome the measure before us and I join those who have praised the minister for bringing it in. I hope that when the commission is established it will not work in any narrow field but, rather, will recognize that Parliament wishes it to make recommendations for the reform of the laws of Canada wherever there are anomalies or anachronisms contained in them. In that spirit, I support this bill.

Mr. Speaker: Order, please. If the minister speaks now, he will close the debate.

Hon. John N. Turner (Minister of Justice): Mr. Speaker, I listened with great interest to that recently-admitted member of the profession of the law in Parliament, the hon. member for Winnipeg North Centre (Mr. Knowles). I do not know whether the hon. member, backed by the confidence which he acquired during the debate on the expropriation bill, is now committed to participating in our debates whenever the law is mentioned. As I suggested to him earlier, perhaps it is because he has been in this House for so many years that the learned expertise of the law has brushed off on him. He is perfectly right when he says that the bill is drawn in wide enough terms to embrace the totality of federal law and is not limited in its terms to the criminal law.

• (9:10 p.m.)

I enjoyed the debate on second reading of the bill. I cannot deal with every item raised or every question that was posed by the members who participated but I am sure, should the House give the bill second reading this evening, that when it reaches the Standing Committee on Justice and Legal Affairs we will be able to deal with some of these points in detail.

I do want to say in answer to some members who participated in the debate that nowhere within the purview of the bill is there any provision to permit the Department of Justice to abdicate its initiative in the introduction of bills relating to policy or to reform of the law where either Parliament or the people of Canada should so demand. I anticipate that the law reform commission of Canada will deal in a global way with the totality of federal legislation as priorities become apparent from time to time. I suggested that some of the immediate priorities might well be the Criminal Code of Canada, the Canada Evidence Act and the public administrative law of this country. As we go on from year to year, other priorities will establish themselves and relate to the program of the law reform commission.

Whatever the law reform commission may do, I anticipate that the Department of Justice, particularly since it will be reinforced by a new research branch, will continue to probe those areas of the law in the federal jurisdiction relating to the authority of the Department of Justice and other areas of the law that are within the factual statutory confines of the federal government. Wherever policy demands that laws be reformed, reviewed, revised or consolidated, the federal government will act.

Neither do I conceive that this law reform commission of Canada will in any way detract from the authority of the Standing Committee on Justice and Legal Affairs of this House of Commons. First of all, any report from the law reform commission, a report given to the Minister of Justice and Attorney General of Canada, under the terms of the bill will have to be tabled in Parliament. After such tabling I see no reason, the government having taken responsibility for it or having added comments to it—I thought the suggestion of the hon. member for Broadview (Mr. Gilbert) was very apt in this respect—why the Standing Committee on Justice and Legal Affairs should not review it.

Nevertheless, the report of the law reform commission of Canada will be just a report. It will be important, before the government takes responsibility for it, for the Department of Justice to review it, for the cabinet to review it and for the Standing Committee on Justice and Legal Affairs to review it in order that it become the property of the people of Canada through the executive and through a standing committee of this House.

Nor do I anticipate that this law reform commission will displace the utility of the uniformity commissioners, that permanent body composed of provincial and federal government officials, and commissioners appointed by these governments and embracing the academic community in law, members of the practising profession and the departments of the attorneys general across this country.

Once policy is adopted by the federal government or by a provincial government, we have found it useful to consult all of the 11 jurisdictions of this country so as to test the practicality of reform measures, to test the availability of provincial co-operation in that respect. I do not anticipate in any way that the role of the uniformity commissioners will be set aside. I hope as well that the Canadian Bar Association, through its various provincial sections, and the various sections representing branches of the law will continue to advance their suggestions for reform.

What I am saying to this House is that the law reform commission will be looking in a global medium and long-term way at the general federal statutory fabric of the laws of

Canada. It will have the time, the expertise and the independence, even the tranquility from everyday activity, to look at the federal laws of this country. We need reform which will eliminate, as the hon. member for Winnipeg North Centre has said, the anomalies and anachronisms of the law, to consolidate where necessary, to codify where necessary and to bring up-to-date and render contemporaneous the laws of this country.

To the hon. member for Broadview (Mr. Gilbert) and the hon. member for Greenwood (Mr. Brewin) may I say that in no way do I expect to use the 10-year qualification as a means of discouraging those younger reformers who might well contribute to the impetus of legal initiative in this country. As a matter of fact, I was accused by one of the local newspapers of leaning too far on the side of the tigers, on the side of youth. What we want to balance is a genuine instinct or urge for legal reform, on the one hand, with experience, credibility and knowledge of the law on the other hand. If we can find men and women who embrace both those aspects of the human complex, all the better.

Law teachers, of course, and members of the academic community are eligible, within the terms of the bill as it now stands, if they are members of a provincial Bar—and most of them are. I want to avoid the "instant experts" on Canadian law. A professor might come from Great Britain, the United States or France, and merely because he is a member of a legal faculty of a university in this country might otherwise become eligible for appointment. I would think that membership of the Bar and a certain knowledge of and acquaintance with the customs and laws of this country are prerequisites of membership of the commission. Of course, members of the academic community will be eligible; but I hope their qualifications will be reinforced by membership at the Bar.

Finally, before I put this bill to the test of the House, might I say that I believe quite firmly that the legal profession should not be a hired gun or dart-thrower for any establishment or status quo in this country. I believe that society generally has now become the lawyers' client, and that society will hold the law to account. I believe that in a changing world where there is a search for new relationships both between man and man and between man and his government, a law and order that is rigid and that reflects yesteryear will not do. I believe that the law must respond to change, to options, to movement and to the urge for reform. A law and order that reflects merely yesterday's priorities, and yesterday's priorities only, may become tomorrow's oppression. I do not believe that the law can afford to stand still. It is my hope that this commission will contribute to law in motion.

[Mr. Turner (Ottawa-Carleton).]

Mr. Woolliams: Mr. Speaker, I wonder whether the minister would answer a question. The minister talked about the fabric of our statutes. In view of the fact that under the manpower legislation there were about 600 orders in council passed, will this commission have the right to review all orders in council that this institution gives the executive the right to pass?

• (9:20 p.m.)

Mr. Turner (Ottawa-Carleton): Mr. Speaker, the terms of reference in the bill are wide enough, and I hope that if this House under government initiative is wise enough to implement some of the committee's recommendations in the report on statutory instruments, under the chairmanship of the hon. member for Windsor-Walkerville (Mr. MacGuigan), we can achieve this not only by way of judicial review but also by way of parliamentary review.

Mr. Knowles (Winnipeg North Centre): There is one other question I should like to ask the minister. Just now when he referred to the reports of the commission being received, he said that he saw no reason why these reports, once the government's comments were added to them, should not be sent to the Standing Committee on Justice and Legal Affairs. I am not quarrelling with that, but I should like it to be clear that so far as tabling the reports in Parliament is concerned, that has to be done within a certain period whether or not the government adds comments.

Mr. Turner (Ottawa-Carleton): Mr. Speaker, the hon. member for Winnipeg North Centre is perfectly correct. I was only incorporating a remark by one of his friends and colleagues, the hon. member for Broadview, to the effect that it might be useful if the Attorney General of Canada were to attach comments to any report in order that the government's reaction and response to those recommendations could be made clear. If comments were not attached, that would in no way obviate the necessity of the Minister

of Justice under this legislation to table in this House any report received by him on a program of reform of the law.

Motion agreed to, bill read the second time and referred to the Standing Committee on Justice and Legal Affairs.

SHIPPING CONFERENCES EXEMPTION ACT

EXEMPTION OF CERTAIN PRACTICES FROM PROVISIONS OF COMBINES INVESTIGATION ACT

Hon. Donald C. Jamieson (Minister of Transport) moved that Bill C-184, to exempt certain shipping conference practices from the provisions of the Combines Investigation act, be read the second time and referred to the Standing Committee on Transport and Communications.

He said: Mr. Speaker, the over-all objective of this bill is to exempt certain of the practices of steamship conferences from the operations of anti-combines legislation and to attach conditions to the granting of the exemption. This bill really results from the report of June 17, 1965, of the Restrictive Trade Practices Commission in which it was found that certain practices of shipping conferences contravened the Combines Investigation Act.

Characteristic features of this breach are that conferences—if hon. members are not familiar with that term, they are associations of shipping lines serving precisely-defined general cargo ocean trades—by formal agreement between their members adhere to common tariffs of rates and charges and, typically, to restrict competition, bind shippers to use only conference line vessels by a form of contract known as an exclusive patronage contract, or shippers rate agreement, in which the inducement to the contract signatory is that he will have applied to his shipments a schedule of rates which is lower than that applied to non-contract signatories.

There are other more innocuous practices, and yet others which the commission found objectionable in any circumstances. The Restrictive Trade Practices Commission none the less concluded that as an alternative to unbridled competition characterized by fluctuating rates and irregular service, conferences perform a useful and desirable function by providing a stable rate structure and regular and frequent service, and that the performance of this function was generally accepted by Canadian exporters and importers as reasonably satisfactory. Accordingly, the Restrictive Trade Practices Commission recommended that in certain respects, and subject to certain safeguards, shipping conferences be exempted from the application of the Combines Investigation Act. The alternative possibility was proceedings under the act to secure a prohibition order, but for the broad reasons cited the commission did not recommend such proceedings.

The report of the Restrictive Trade Practices Commission and its recommendations were subjected to detailed and lengthy study by an interdepartmental committee which in due course in its report substantially approved the recommendations. In December, 1968, the then Minister of Transport, with the concurrence of the Minister of Industry, Trade and Commerce and the Minister of Consumer and Corporate Affairs, devised a series of recommendations. This bill really implements those recommendations.

By nature, the bill is primarily a transport and trade measure with implications in the field of external relations. It is directed toward the protection of those Canadians who are users of ocean transport which means, directly or indirectly, substantially all Canadians. It substitutes regulation and scrutiny while safeguarding a degree of competition as an alternative to the unrestricted competition that would result from the application of the Combines Investigation Act. The legislation will extend only to international shipping. Shipping between Canadian ports is not exempted and will continue to be subject to the Combines Investigation Act and other applicable statutes.

It will be seen that by clause 11 the power of the director to make inquiries in the field of transportation is expanded. The bill is not unique, incidentally, in permitting a degree of collaboration between carriers. Section 337 of the Railway Act, as amended by section 53 of the National Transportation Act, reads as follows:

> 337. Railway companies shall exchange such information with respect to costs as may be required under this act and may agree upon and charge common rates under and in accordance with regulations or orders made by the commission.

An important point to be noted is that conferences have been in existence since the latter part of the nineteenth century; that is to say, their development more or less coin-

cided with the development of regular steamship liner services after the end of the era of sail.

The value of the conference function has been acknowledged by governments throughout the world, sometimes with tacit approval and sometimes reluctantly. Subsequently, all governments have been obliged to permit the operation of conferences because no suitable alternative mechanism to provide stability and service has been developed. For example, the government of the United States, by the Shipping Act of 1916, explicitly exempted conferences from the Sherman anti-trust laws, but by the same act applied extensive and detailed regulations. The U.S.A. position was confirmed by an amendment to the Shipping Act in 1961, which in part clarified the law and in part strengthened and increased the degree of regulation.

However, hon. members may be aware that a conference is necessarily composed of shipping lines, but a shipping line is not necessarily a conference member and, indeed, many shipping lines operate independently, frequently in competition with conferences. It might be useful if I attempted to define what is a shipping line. To begin with, a shipping line is not necessarily a corporate entity by itself. Many shipping companies operate several so-called lines.

The essential characteristic of a shipping line is that it performs a scheduled and advertised common carrier service from named ports to named ports. This is very different from the type of service performed by so-called tramp vessels which, generally speaking, are chartered to carry full cargoes anywhere in the world as inducement offers. Liners and tramps tend to be somewhat different in design, but they need not be so and, indeed, liner operators have traditionally chartered tramps to augment their liner fleets in times of high demand. The real difference is in the type of service. I re-emphasize that the shipping line is one that operates between named ports.

• (9:30 p.m.)

It may be said that a liner is analogous to a bus operating on a scheduled route, and that a tramp is analogous to a taxi seeking fares all over town. This bill has no application to the tramp trades. The question whether or not there is, or should be, a Canadian merchant marine is not relevant to this bill. Canadian flag ocean-going ships would operate either in the liner trades or the tramp trades, and the owners of those in the liner trades would decide to become conference members or operate independently for commercial reasons that would not be different from those of owners of other nationalities.

This bill has the same application to all conference members, regardless of their nationality and of the flags flown by their vessels. Violations under this bill are in two categories which might be described as major and minor. Major violations are those which impose the application of the Combines Investigation Act and will arise from certain breaches of clauses 3 and 4 of the bill. Minor violations are failure to file certain documents as required by clauses 5, 6 and 7. The penalty, to be found in clause 8, is a fine of $100 a day which in practice is likely to apply to every member of a conference that is in breach.

The filing requirements are important in that they expose the basic conference relationships to public scrutiny. Thus, the bill accomplishes the dual purpose of providing conditional exemption and enabling continuous scrutiny. The bill covers all important aspects of the contractual relationships between members of a conference on the one hand and between the conference and shippers on the other, and is a recognition on the part of the government of its duty to protect the interests of its citizens.

Indeed, it might well be said that under the national transportation policy as enunciated in the National Transportation Act there is a duty to seriously scrutinize and seek to influence ocean shipping upon which Canadians are so enormously dependent. Perhaps not the least important aspect of this duty is the responsibility imposed on the Canadian Transport Commission by section 14 of the National Transportation Act to perform its function "with the object of co-ordinating and harmonizing the operations of all carriers engaged in transport."

This is in some respects a rather complex measure and I have no doubt that at the committee stage members will wish to examine its various clauses in detail. Of course, there will be expert witnesses in this rather complicated area in order to attempt to answer questions of members. I believe I have in these few remarks, however, set the scene and explained why we feel it is necessary to bring forth this legislation at this time.

Mr. Thomas M. Bell (Saint John-Lancaster): Mr. Speaker, as the minister said, this is a very complicated and technical bill. I am

really only substituting because some of the great legal minds over here are busy with the work the Minister of Justice (Mr. Turner) is setting forth these days. After hearing tonight that this law reform commission may be looking into the 22,000 orders in council that are in existence, it would seem that there may be more substituting and in fact perhaps a breakdown in the health of all the lawyers in the House.

As the minister implied, this bill is brought about by the episode of the Dan ships. These ships went up the St. Lawrence River in the winter a few years ago. They started this service and the people in the maritimes were not happy about it because it was an attempt to cut into our winter season. We knew it was foolhardy to do this and I think that has been proven to be the case. However, their activities in the St. Lawrence showed that a shipping conference was in existence which contravened the Combines Investigation Act. The appropriate words, to which the minister did not refer directly, appear in the report headed "Shipping Conference Arrangements and Practices" at page 102. Recommendation No. 3 on that page states:

> Agreements among shippers or consignees for the purpose of organizing for negotiation with carriers of the rates and terms for the ocean carriage of goods would not be contrary to the public interest.

Such arrangements and their consequent exemption from the Combines Investigation Act are very rare in our history. I believe there was an episode on the west coast in which on a yearly basis certain exemptions from the Combines Investigation Act were granted to fishermen in British Columbia. We do not like this. There must be some better way to do business in this regard.

I think the minister has given a straightforward appraisal of what is in this bill. I quarrel with whether this might be a dangerous precedent. What are we getting into? Is it quite as innocuous as he says it is? I hope these matters will be raised in committee. I suggest, however, that the following questions might be asked. I do not care if the minister replies to them now. First of all, I notice there are no explanatory notes in the bill. I do not know whether it was too complicated for those who drafted it, but it is one of the few bills I have seen which does not contain an explanation of what is contained in it.

One might also ask how urgent this measure is. I know the story of how these infringements were uncovered because of the activity during the winter to which I have referred. Are there other matters with which the House should be dealing, or is this bill necessary in order to tidy up legislation? Some of these questions might be answered.

Although the minister says these tariff conferences and resulting contracts would have no effect whether or not Canada has a merchant marine, I take the opportunity to point out that this may be true but if we had our own merchant marine our bargaining position at these conferences would be greatly increased. We would not be the victim of the different rates and tariffs set by these conferences which are virtually dominated by the United Kingdom. We always object to them in eastern Canada because so many of the conference rates are set up on a St. Lawrence basis and are prejudicial to the eastern ports of Halifax and Saint John. I do not wish to become involved in this question, but that has been our impression.

At the committee hearings questions may be asked of the witnesses when we look at the over-all aspects of the legislation. "Shipping conference" itself is a very nebulous term. The minister defined it quite well, but I still think it is a legal term. We might ask really who is included in this term. The minister said that the corporate entity, the shipping line, has no actual relationship to the shipping conference. I believe that, but it is a fairly general term and perhaps a more specific example is necessary.

In clause 5 there is reference to the necessity of filing documents with the Canadian Transport Commission. This will involve more work for the Canadian Transport Commission and our good friend the chairman. I suppose that is the body best equipped to do this work, but it involves a further increase in the powers of the Canadian Transport Commission whether desirable or not.

We speak of the sovereignty of the north and the problems there. I have always been one who believes that if we are to exert our sovereignty in the north we must do it with our own ships and our own men to man those ships. This, of course, increases our need for greater marine activity and policies. The terms of all the clauses in the bill seem to be excessive. We should ask more questions about them.

• (9:40 p.m.)

As the minister said, all government departments are involved in this question. As he also said, many different departments were

involved in the formulation of the legislation that is before us tonight. He said, I think, that it is almost an external affairs matter. I am inclined to agree with him, because it has many international aspects.

Maritime transport is international. This brings me back to my original question as to what exactly we are getting into. The one precedent that I know for this is the matter to which the minister referred which was dealt within in the United States. But I have grave reservations about the method of exempting anybody from the provisions of the Combines Investigation Act. This could lead to many other inroads and exemptions. It may be the next step for other modes of transport, although the minister spoke about the exemptions that we have for railways. We could get involved in many other types of activities.

Experts have advocated that Canada should allow many of its companies, for example those in the lumber industry, the right to combine so that they may compete in a better way internationally. There is merit in this suggestion. However, here I am opening up a can of worms. Therefore, with this one reservation I hope that the bill will be gone over carefully in the Committee on Transport and Communications to which it will be sent. At that time we can look more carefully into the necessity of amending some of its clauses.

Mr. Max Saltsman (Waterloo): Mr. Speaker, first of all I should like to congratulate the minister for bringing in this measure based on the recommendation of the Combines Investigation Branch, because it only recognizes what has been going on for a long time anyway and what is inevitable in this field. It is making an honest woman out of the minister's non-tramps. It is legitimizing something that is going on.

What I like about this legislation is that at least it is honest and above board and we can see what is going on. There is nothing worse in this country than pretending we have competition in some areas when in fact it does not exist. This has been the case with shipping of this kind for a long time. I suggest that we could benefit substantially by expanding this principle to other sectors of our economy. There are many areas of our economy in which there is supposed to be unbridled competition, when in fact there is no competition and instead what you have is price leadership.

In that situation the strong in the industry permit some of their weaker competitors to limp so that the stronger can take higher profits. If you try to look at their operations they say they have lots of competition, when in fact it does not exist. It is for this reason that I prefer to see things above board. In a case of this kind, when we recognize that there is an agreement, where there is collusion among the shippers, if they abuse this privilege and the rates are raised too much somebody will step in and they will be watched. We know what the situation is in this industry now.

When we had a similar example we had to step in and remove some of the competition, which was becoming very destructive in the case of the west coast fishermen, because it simply did not make any sense. There is only enough business for a certain number of people to earn a livelihood. If too many get in, instead of reducing costs it simply raises them—no one can make a living because of the unbridled competition and the senseless anarchy that prevails in such a situation.

One of the difficulties we face in this country is that we have inherited a pattern of competition from the United States that does not really make any sense for Canada. If you look back at the history of the combines legislation you will see that Canada brought in the legislation at just about the same time as did the United States. In the United States, a country eleven times our size, a case can be made for much more competition than in a country such as Canada.

Where you inherit the U.S. form of competition, where you have, as we have here, the number of branch plants which are almost a Dinky toy replica of U.S. companies, you wind up with a terribly inefficient structure in your industry and economy. If you examine our economy you will find that almost everywhere that U.S. branch plants have moved in, the effectiveness and competitiveness of Canadian industry has been destroyed. Contrary to much of the conventional wisdom that is held forth in this country about the great advantage of U.S. investment in Canada, I think it has destroyed our ability to be efficient and competitive and in the long run will lower our standard of living rather than raise it.

It may be true that when capital first came in, we got off a little faster; we got a better start than we might have otherwise. But in

fact, if you watch these industries develop you will find that the first advantage disappeared very quickly. It is interesting to note that perhaps the most efficient industries that exist in this country are either privately or publicly-owned industries in Canadian hands—such as the steel industry, which remains largely in Canadian hands—Crown corporations and the beer industry. I could go on in this way.

My comments will not be very extensive. The point I am trying to make in supporting this legislation is that it is realistic; that we are facing up to certain facts. But we should go beyond the legislation, beyond the problem of shipping and look at some other industries in Canada where it may be to our advantage to stop pretending that competition exists and let the companies get together so that we can regulate them and see what is going on in them.

The Acting Speaker (Mr. Béchard): Is it the pleasure of the House to adopt the said motion?

Motion agreed to, bill read the second time and referred to the Standing Committee on Transport and Communications.

HOUSE OF COMMONS

BROADCASTING OF DEBATES BY RADIO AND TELEVISION

The House resumed from Friday, February 20, consideration of the motion of Mr. Macdonald (Rosedale):

That the Standing Committee on Procedure and Organization, in consultation with Mr. Speaker, be directed to study the question of radio and television broadcasting of the proceedings of the House and its Committees, including the legal, procedural and technical aspects thereof, and the question of arrangements made for reporters for the electronic media in the Parliament buildings.

Mr. J. H. Horner (Crowfoot): Mr. Speaker, in rising to take part in this debate—

Mr. Macdonald (Rosedale): I rise on a point of order, Mr. Speaker. I would point out that the hon. member has already spoken in this debate.

Mr. Horner: May I say on that point of order, Mr. Speaker, that I have not spoken in this debate. I had begun my remarks on the previous occasion and had just commented briefly on what the hon. member for Winnipeg North Centre (Mr. Knowles) had said.

Broadcasting of House of Commons Debates

The Acting Speaker (Mr. Béchard): I take it the hon. member for Crowfoot is correct. He started to speak on the previous occasion.

• (9:50 p.m.)

Mr. Horner: Thank you, Mr. Speaker. On the previous occasion I mentioned that the hon. member for Winnipeg North Centre had suggested that the introduction of television would vastly change the whole concept of the House. He implied that we would even have to watch how we dressed and how we delivered our speeches. He stated that nowadays we see members making speeches from what are in essence completely printed texts, and he said that if television were introduced we would have to "act out" our speeches.

I said, commenting on his remarks, that if we were making a speech on western Canada, in particular on wheat, we would have to deliver our speech in an angry tone to make it convincing; and if we were talking about other subjects we would not only have to sound convincing but would have to look convincing. This would destroy the sense of argument with regard to logic, and more emphasis would be placed on the acting ability of the member speaking. I said that we were not sent here on our merits as actors or orators, but on our ability to reason, to get to the root of some of the problems, whether those problems were in the House, in a cabinet minister's office or in a deputy minister's office.

From time to time the suggestion has been made to me—and in this debate a previous speaker put it forward—that it would be all right if we just televised our proceedings for a two or three-hour period per day. What effect would that have on the work of this House? Too often constituents of mine tell me that there is too much party politics played in Ottawa and that Members of Parliament are more concerned with serving their parties than looking after the good of the country.

There is no question in my mind that televising the proceedings of the House, whether for a two-hour or three-hour period per day, would only strengthen the party system; I do not think it would necessarily result in better legislation and in more interest by Canadians all across the country. In fact, I believe it would bring about less interest by Canadians and would put party interests ahead of the good of the country.

It has also been suggested that the televised proceedings would be turned over to some

sort of editing system and people would be appointed to edit-out everything except that which was really worthwhile. Who would determine what was really worth while for my constituents, for somebody in eastern Canada or somebody in the maritimes? How would they determine this? Who would these editors be? One hon. member opposite is claiming in newspapers across the country that he does not get the opportunity to speak in this House. He is a former mayor of Toronto. I suppose that if the proceedings of the House were televised, he would make a grandstand effort to get his words on television. Yet now he has every opportunity to put his words on *Hansard*, for all to read. He may freely criticize the government for its attitude to the cities, and we can read his speeches in *Hansard*. But he does not do that too often.

Look at the question of costs. Hon. members are concerned about inflation and rising costs. What a tremendous cost there would be if we were to televise the whole proceedings of this House. How many cameras would be necessary? How many people would be employed? How many people across the country would listen? Who would have the time to sit down all day and watch the proceedings?

Mr. Whelan: After one week, 2 per cent.

Mr. Horner: I do not know whether it would be 2 per cent or 3 per cent, but I believe most of the electorate voted for their member, sent him to Ottawa and placed their trust in him to do what was best for them.

Mr. Allmand: On a point of order, Mr. Speaker, when the hon. member for Crowfoot (Mr. Horner) rose to speak, the President of the Privy Council (Mr. Macdonald) brought to your attention that the hon. member had already spoken in the debate and you said he had been the last speaker on the previous occasion. On checking *Hansard* I note that he spoke on Monday, February 16, and he adjourned the debate that night; but when the debate was taken up the subsequent day, which was last Friday, he did not start to speak first. I bring this matter to Your Honour's attention because it seems to me this may be a new precedent—a person calling it ten o'clock, being interrupted by three other speakers and recommencing the debate at another time.

The Acting Speaker (Mr. Béchard): Order. Does the House wish that I call it ten o'clock?

[Mr. Horner.]

Some hon. Members: No.

The Acting Speaker (Mr. Béchard): I understand the point of order raised by the hon. member for Notre-Dame-de-Grâce (Mr. Allmand). The hon. member for Crowfoot was the last speaker, not on the Friday but on the previous day of the debate, when he adjourned the debate. I thought that due to the fact that the hon. member was absent last Friday, he should be allowed to continue his remarks.

Mr. Horner: Thank you, Mr. Speaker. May I call it ten o'clock?

PROCEEDINGS ON ADJOURNMENT MOTION

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

POLLUTION—NON-PHOSPHATE DETERGENT RESEARCH

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, almost a month ago I raised the point that housewives across the country, through the daily use of detergents are forced to contribute heavily and unwillingly to water pollution in Canada, and I asked if the government was considering asking the National Research Council to initiate an emergency research program to develop a non-phosphate, non-pollutive detergent. That was on January 28, nearly a month ago. A lot of water has gone under the bridge and over the dam since then—and a great deal of it polluted.

The situation has now changed because in the meantime we have had full details of a non-phosphate detergent which exists, which has been tried out and which has been given very wide publicity. In fact, I believe the program "W5" last night was seen by people from coast to coast and the result will probably be that in addition to the 500 letters I received in my office during the last week, I will receive another inundation of mail this week on the same subject. My consolation is to know that a great many members on the government side of the House are also receiving a flood of the same type of mail. I am glad that consumers are concerned enough to send this mail to us.

Dr. Philip Jones of the University of Toronto has now given us details of Formula N, which to the best of my knowledge is the only non-phosphate detergent in existence. Sweden has a detergent of this type, but it has 8 per cent phosphate content in it. Formula N is absolutely phosphate free and is non-polluting. Further, it cleans as well as the phosphate kind, and in many kinds of washing cleans better. It has been tried out by a group of Toronto housewives over a period of three months. I believe it was also tried out exprimentally on Saturday last by a number of people in a laundromat, with the same result. In the third place, it takes only half as much detergent as the regular phosphate type to do a wash. In the fourth place, according to Dr. Jones it can be manufactured much more cheaply.

The present problem is not for the Research Council to initiate an emergency program to find a non-phosphate, non-polluting detergent, because we have it. As Dr. Jones has made clear, research must be kept up and this product improved, if possible, by continued research. There are two steps which should be taken by the government now. First of all, detergents containing phosphates should be banned at the earliest possible moment. The minister has said that he will aim for a complete ban by 1972 and will phase it out in several stages, that he will make amendments to the Canada Water Act in this direction, and that he now has the agreement of the provinces to proceed with an amendment to the Criminal Code.

• (10:00 p.m.)

Mr. Speaker, I should like to see this timetable speeded up. The phasing-out could be achieved more quickly, now that there is an alternative available. Banning detergents containing phosphates is the first thing. The second is the government's responsibility to get Formula N on the market as quickly as possible in order to avoid a serious cause of pollution.

We have Crown corporations to handle a great many things that private enterprise cannot handle adequately. We have had great success with Polymer. In this House we set up a fresh fish marketing corporation, the uranium corporation, and there is Devco which has made a success of the steel industry in Sydney. If the detergent companies are too slow about getting this new non-phosphate detergent onto the market, I cannot see why the government should not set up a Crown corporation to make it available to concerned consumers across the country. If other companies come along later, then the government is already providing healthy competition to try and save our waterways.

There should be an immediate regulation to enforce upon manufacturers the need for listing the phosphate content on existing detergent packages. "Pollution Probe" and "STOP" have done a wonderful job in publishing the phosphate content of detergents presently on the market, but I do not think that should keep the government from its responsibility of insisting that the contents be listed on detergent packages or other containers for cleansing agents. The consumers of this country are not fooling about wanting to see phosphate detergents wiped out. They are tremendously concerned and worried about the damage occurring daily to our streams and waterways.

For these reasons, Mr. Speaker, I urge that these steps be taken with the least possible delay: first of all, the banning of detergents; second, getting this new non-phosphate detergent on the market; and third, pending that, requiring manufacturers to list phosphate content on detergent packages and containers.

Mr. R. J. Orange (Parliamentary Secretary to Minister of Energy, Mines and Resources): Mr. Speaker, I could not help but be impressed with the hon. lady's suggestion that the government get into the business of manufacturing soap. I can almost see the first annual report of the new government soap company with the title, "I'm Forever Blowing Bubbles".

The hon. lady suggested that the government somehow or other get into the problem of marketing Formula N. Obviously, the hon. lady watched the television program "W5" last evening when a professor of the University of Toronto gave his ideas and suggestions which may or may not be good and may or may not be bad.

I think we have to look at the basic problem which is: How do we get rid of phosphates in our detergents? Tomorrow representatives of the detergent companies will be meeting with the Minister of Energy, Mines and Resources (Mr. Greene) to talk with him about the edict which he handed down last week to the companies. It does not

have the force of a law yet, but the minister suggested to them that by this fall the reduction of phosphates be reduced to 20 per cent of the total content of their detergents and that within two or three years phosphates be totally eliminated from the detergents used by housewives.

We have the problem of what we should do about phosphates. I think we should be careful that whatever other product we produce, it does not create the same kind of situation that phosphates have created. I defy anyone in this House or anywhere else to say that when phosphates were first introduced in detergents they had any idea of what would happen. The problem is to rid ourselves of phosphates in the detergents of this country. We must ensure that whatever kind of replacement there is—and we still have to wash our clothes and clean our dishes—it will not have an effect on our waterways, as the hon. lady said, so that in four, five or ten years from now we do not have the same kind of situation that we now have.

I commend the hon. lady for her comments. I know what she means. I know the Canadian people are concerned. I believe that we must place the responsibility on the shoulders of the people who have the major investment in this industry, the detergent manufacturers. We say to them: This is what must happen: you must reduce the amount of phosphates; you must find a replacement. It is up to the private sector to come up with their own ideas. Perhaps the government can help through the National Research Council or other agencies, but I believe it is up to the private sector to make the first move. It is in their interest and the interest of their stockholders so that they may continue to survive in industry in this country.

Motion agreed to and the House adjourned at 10.10 p.m.

HOUSE OF COMMONS

Tuesday, February 24, 1970

The House met at 2 p.m.

ROUTINE PROCEEDINGS

GRAIN

TABLING OF REPORT ON DELIVERY QUOTA SYSTEM

Hon. Otto E. Lang (Minister without Portfolio): Mr. Speaker, on January 21 I announced the appointment of a three-man committee to study and make recommendations with respect to the delivery quota system for western Canadian grain. That committee has now reported.

The report of the committee includes recommendations for important changes in the quota system including the abolition of unit quotas and the removal of forage and other crops not subject to the quota delivery system from the acreage base used in determining delivery rights. This report will be made available to all interested persons and organizations and in the coming few weeks I am looking forward to receiving their comments and recommendations.

This report deals with a delivery quota system designed to regulate deliveries in future years. I expect in the near future to be able to indicate any special provisions with respect to deliveries in 1970-71 which may be required to deal with the current unusual surplus position in wheat.

I now wish to table pursuant to Standing Order 41 (2), in both official languages, copies of the report entitled "Report on Delivery Quota System for Western Canadian Grain".

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, a few minutes before I entered the House I was handed a copy, as it is proper to do, of the statement the minister has presented to the House. First of all, I should like to raise an objection to the composition of the committee that the minister appointed, and I think my objection is a valid one from the producers' point of view.

Although the committee was composed of representatives of the grain growing community, one each from the Saskatchewan Wheat Pool, the United Grain Growers and the Canadian Wheat Board, they represent the organizations that are charged with the responsibility of handling grain. They are not people who are involved in the actual production of grain and they may view the problems from an entirely different angle than the producers. My first objection is that too many regulations which committees have to study are prepared by civil servants who plan them so as to make life easy for themselves. In addition, too many lawyers are involved in the drafting of legislation to come before this House.

Some hon. Members: Hear, hear.

Mr. Korchinski: They have one thing in mind, namely, how do you defend this kind of case in court? The people who are going to become involved in litigation are not considered.

• (2:10 p.m.)

In light of this objection, I suggest that a further study be made of this entire question so that the producers themselves will be able to put forward their recommendations. I have received a series of letters on this entire question. Some of these people are members of Wheat Pool committees at the country level and they ask whether their suggestions have been forwarded or channelled through the minister to the right people. I cannot sincerely answer yes or no to this type of inquiry. I hope the minister will allow the Standing Committee on Agriculture to study this matter before any conclusion is arrived at in respect of the entire feed grain question which the committee is considering at this time.

What we are talking about is a quota system. Such a system, regardless of whether it involves wheat or another commodity, implies restrictions, and restrictions involve sacrifices. What we are really talking about here is the kind of sacrifices the farmers are prepared to accept. It is the farmers who will have to accept them, not the Wheat Board or the grain handling people. They will get their money when the grain is in storage.

I emphasize the need for an inquiry at the producer level. A system could be worked out whereby a quota which has not been fully

used could be used up in the following year. Perhaps this might help avoid the practice of some people delivering on other people's permit books. It might prevent abuses in respect of quotas. Many suggestions could be made by these people who know the situation. I am not suggesting this is my idea, but this is the type of suggestion that comes to me from farmers.

I conclude by saying that these inquiries would be absolutely unnecessary and there would be no frustration if the government would only get off its you know what and sell some wheat.

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, this committee, whose report has been placed before us, undertook a job that needs to be done. We do need to review the application of the quota system to farmers. The criticism that there was no representative of the producers on this committee is justified.

The committee recommendations are lengthy and I do not see much point in discussing them one by one at this time. After a brief examination of the report I find that the emphasis is on market opportunities. Perhaps this is as it should be, but I do not see any emphasis in the report on assurances to the farmers that they will share a relatively equal part of the market. This is an important principle inherent in the Wheat Board marketing system, and unless it is kept in view and emphasized the system will not function well.

Not too long ago, on January 27, I asked the minister whether he would submit the report of this committee of three men to the Standing Committee on Agriculture. He replied at that time that he would give consideration to that request. That consideration should now be given. The standing committee is now considering the pricing of grain within the Wheat Board designated area of western Canada. When speaking to that committee this morning the minister said that inevitably this question led to a consideration of quotas. Therefore I can see no reason that the minister should not refer this report to that committee for consideration. He mentioned that it was being referred to different organizations. Well and good; so it should be. However, the Standing Committee on Agriculture should have the report referred to it for study along with the subject it is now considering because the subject it is now considering cannot be considered in isolation from the administration of quotas.

[Mr. Korchinski.]

One unfortunate thing in the report is the recommendation that we do away with the unit quota as part of the quota system. This would be a very severe blow to the smaller producer in western Canada.

[*Translation*]

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, I should like to thank the Minister without Portfolio (Mr. Lang) for his statement when he presented the report of the House committee.

I hope that this report will make it easier to implement the necessary changes for improving the lot of western farmers.

At any rate, we shall read the report, study it thoroughly and make appropriate comments in due course.

[*English*]

WATER RESOURCES

STATEMENT ON REPORTED SURVEYS AND STUDIES

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, in view of certain reports that have appeared recently, and the public concern they have aroused, I should like to make the facts clear with regard to, first, the United States Army Corps of Engineers ice survey on the Great Lakes; second, the Canada-Ontario co-ordinated studies of northern Ontario water resources; and third, the Great Replenishment and Northern Development—Grand—Canal project.

The ice survey completed last November by the United States Army Corps of Engineers is in no way connected with any plan to divert waters, but was designed to provide information for research on the effects of ice formation and ice decay on navigation in the Great Lakes. The United States Army Corps of Engineers is responsible for the planning, development, maintenance and operation of river and harbour works and associated navigation channels on the inland and coastal waters of the United States. Ice and snow conditions on the Great Lakes-St. Lawrence River system affect these works and channels.

[*Translation*]

In informal working level discussions, the United States Army Corps of Engineers about three years ago sought assistance from scientific officers of the Meteorological Branch of the Department of Transport in carrying out this unilateral survey. It was believed the information to be obtained would be valuable

to Canada; and the final report on the project is to be available to Canadians. Although assistance was not ultimately provided, it was suggested that Canadian observers might be hired to gather data. The Corps of Engineers then requested Ontario Provincial Police assistance in obtaining the names of Canadians living around the Lakes to act as observers.

[*English*]

Twenty-eight Canadians were contracted as observers in 1967-68, and 21 in 1968-69, at $15 per month each. Two observers were provided by the Department of Lands and Forests, Ontario. The Corps of Engineers ended its data collection program on the Canadian portion of the lakes in November, 1969, and it now has no Canadian observers under contract.

• (2:20 p.m.)

The only work done by the Canadian observers was to report physical data on ice and weather conditions in the Canadian part of the Great Lakes basin. The observers were asked to obtain measurements of ice thickness, snow depth, slush depth and water levels below ice cover, and to provide the dates of changes in ice conditions, including first ice formation, complete freeze-over, beginning of thaw, end of thaw, and ice completely gone. They were also asked to note significant weather extremes such as snowfall, temperature, wind velocity and direction.

This ice survey is not connected in any way with the co-ordinated studies of northern Ontario water resources being done by the governments of Canada and Ontario.

On August 5, 1965, the Prime Minister of Canada and the Premier of Ontario announced that studies of Ontario's northern water resources and related economic development would be undertaken by each government, and that these studies would be co-ordinated by the committee representing the two governments. This committee is known as the co-ordinating committee on northern Ontario water resources studies. Responsibility for the various elements of the studies is divided between the two governments. Responsibility for hydrologic and engineering studies required to attain these objectives has been divided between the division of water resources of the Ontario Water Resources Commission and the inland waters branch of the federal Department of Energy, Mines and Resources. Economic studies are the responsibility of the economic planning branch of the Ontario Department of Treasury and Economics and the policy and planning branch of the federal Department of Energy, Mines and Resources. Other federal and provincial agencies are actively participating in this work, which has as its prime purpose the appraisal of these water resources for all foreseeable uses.

There has been and there is no participation in these studies by representatives of the United States Army Corps of Engineers, nor by any other United States agency. No aspect of these studies contemplates the possibility of diversion or sale of water to the United States.

Full reports covering all of the northern Ontario water resources studies undertaken on this co-ordinated basis will be issued when complete, provided such issue is agreed to by the governments of Canada and of Ontario.

I emphasize and reiterate that no possibility of sale or diversion of water to the United States is contemplated by these studies.

[*Translation*]

The Grand Canal project is in no way related to either the ice survey or the co-ordinated studies which I have mentioned. It is a very general scheme promoted by a private company. It envisions the diversion of water from several rivers flowing into James and Hudson Bays to Lake Huron via the Ottawa and Mattawa Rivers, Lake Nipissing and the French River.

[*English*]

The federal government is in no way involved in or related to such a scheme, and it cannot accept the responsibility for promotion of proposals by private firms. One of the associates of the private company promoting the Grand Canal project appeared before the Standing Committee on Mines, Forests and Waters on April 11, 1960 and presented a proposal now known as the Grand Canal project. On June 28, 1960, the committee reported that it had heard with interest from witnesses of the proposed Harricanaw River —Grand Canal—development project, but it felt there had been insufficient basic engineering evidence to come to any conclusion on this matter.

On May 19, 1961 the then Prime Minister referred to the above-noted committee report and said:

I would say to the hon. gentleman that various proposals for the diversion of water from the Hudson Bay and James Bay watershed have been con-

sidered in the past and are regarded as impracticable from an economic point of view on the basis of the engineering data available at this time.

[*Translation*]

On March 11, 1965, the same associate of this company again appeared before the Standing Committee on Mines, Forests and Waters to present an amended proposal for the diversion of water from the James Bay watershed to the Ottawa River basin or to the Great Lakes Basin. This proposal is essentially the same as that outlined previously; to my knowledge there has been no change in the general outline of the Grand Canal project.

[*English*]

Press reports have stated that these private entrepreneurs have indicated that the Grand Canal project is being considered by the governments of Ontario and Quebec. Spokesmen for the governments of Ontario and Quebec have indicated that this is not the case.

These press reports also have stated that such a project has been under study for months, both in Canada and in the United States. No consideration or study is being given by the government of Canada to the said Grand Canal scheme or any similar project. To the best of my knowledge neither is any provincial government giving consideration to such a project.

Press reports on the said subject have indicated that water could be sold to the United States under such a project without federal approval. I reaffirm in the strongest possible terms that no water could be sold to the United States without the approval of the government of Canada. No contemplation of such approval is under consideration by the government.

Mr. G. H. Aiken (Parry Sound-Muskoka): Mr. Speaker, we are glad that the minister has finally made what seems to be a clear and definitive statement on the northern waters projects. One thing on which Canadians are not prepared to compromise is the casual disposal of our energy resources, and particularly our water resources which represent the future of this country.

I was fortunate, Mr. Speaker, to be a member of the standing committee which considered the Grand Canal scheme both in 1961 and in 1965. It was examined in a very cursory way on both occasions, and on both occasions it was decided that there was insufficient evidence and insufficient engineering data upon which to make any conclusion whatsoever.

I believe that what has concerned Canadians more than anything else in the past few months has been the enthusiasm of the Minister of Energy, Mines and Resources after his return from his visit with Secretary Hickel of the United States. Canadians were concerned about the minister's apparent enthusiasm at that time for a resource exchange package. Members of this House were concerned that this resource exchange package would involve and include water resources as well as many of the other resources in which we are interested. The minister has made it clear today that certainly this is not the case as far as he is concerned, and I do not care whether he is backing away from his original statement or merely reaffirming what he said in the first place. It was not clear at that time. It has certainly been made clear today.

I know hon. members are determined that Canadian water resources must not be included in any energy package without a great deal more thought and consideration than have been put into such projects until the present moment. However, Mr. Speaker, we still worry about the continential approach that the government has taken toward our resources. We are still concerned about what appears to be the casual acceptance of proposals from the Yankee traders that we should exchange certain resources for certain others. We are concerned about the lack of a firm stand in connection with our northern sovereignty and our northern resources. We have been concerned about the lack of firm statements on many of the resource problems that have been coming up over the past few months.

• (2:30 p.m.)

I can only conclude by saying that, taking the minister's statement today at its face value, one of our concerns has been clarified to the extent that the minister has been able to do so. He has made it clear that the work going on in northern Ontario and northern Quebec has nothing whatever to do with the Grand Canal scheme or with water diversion or would result in the sale or diversion of water to the United States. With this one statement we are satisfied. We hope the minister and the government will keep on making statements to assure the House that they are really sincere about protecting Canada's national heritage.

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, the Minister of Energy, Mines and Resources has made a useful contribution in clearing up some points that have been concerning the general public. He has explained the study by the United States Army Corps of Engineers with respect to the formation and decay of ice in the northern lakes. The only comment I would make on that is I think it is a pity it was not done as a joint project rather than having the United States Army Corps of Engineers work on the Canadian side of the border.

He has also clarified the situation with respect to the survey of northern waters which is a joint project of the government of Canada and the Ontario government. We look forward to a full report at an early date.

So far as the Grand Canal project is concerned, apparently it is in an elementary discussion stage. I should like to say to the minister, however, that we in this party would be very much disconcerted if this project, in materializing, should be handled by a private company. A project as important as this ought to be undertaken by the government concerned. Otherwise the day is going to come when we will have to bail it out with government assistance, or we will find that control of the company has wandered across the line and a very important feature of Canadian economic life has been taken out of our hands.

The main reason that the minister made the statement is that he realizes the concern of the Canadian people with respect to our water resources, and justly so. Canadians are beginning to realize that water is one of our most important assets. Not only has domestic consumption of water increased but industrial consumption is increasing at a geometric rate. Increasingly, water will be required for irrigation projects in many parts of Canada. The time is coming, perhaps even within the lifetime of some members in this chamber, when water will be more important than some of the energy fuels we are seeking at the present time. Therefore Canadians are concerned lest we lose control of this valuable asset.

The situation has not been helped at all by the report of the Shultz cabinet committee in the United States or the statement of President Nixon last week or the setting up of the new United States committee under Mr. George Lincoln, all of which seem to indicate that a very refined form of blackmail is under way. In effect, the Canadian government is being told, "If you want to sell Canadian oil"—which we do—"in the United States the *quid pro quo* will be that we get control of large quantities of natural gas and other natural resources committed to our use, that we get free access to the Northwest Passage, that we get the right to build a pipeline in the Mackenzie Delta." Most people feel that in the phrase of the president, "other natural resources", there is going to be an increasing demand for some of Canada's water supplies.

I must say, Mr. Speaker, that I am not at all reassured by the minister's statement. Near the end of his comments he said:

> I reaffirm in the strongest possible terms that no water could be sold to the United States without the approval of the government of Canada.

Mr. Speaker, I do not think there should be any selling of water to the United States without the consent and agreement of this Parliament.

Some hon. Members: Hear, hear!

Mr. Douglas (Nanaimo-Cowichan-The Islands): I do not think that a government in office for only a specific time has any right to give away one of our most valuable natural assets. I hope the government will be prepared to assure the House that, before any agreement is entered into which will give away water or any natural resource, the consent of this Parliament as a whole will be sought by the gentlemen opposite.

Some hon. Members: Hear, hear!

[*Translation*]

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I have listened with great interest to the statement just made by the Minister of Energy, Mines and Resources, all the more so as the main part of this statement relates to the Grand Canal Project which will cross the whole length of the district that I represent.

The minister has told us that foreigners have come to our country to study the formation and the movement of the ice on our lakes and streams. I deplore the fact that such surveys were not entrusted to our own experts. In my view, we do not lack university graduates who are able to do this kind of work. At any rate, I deplore the fact that such research work has been entrusted to foreigners.

With regard to the project that was initiated over 10 years ago by Mr. Tom Kierans, a Sudbury engineer, to divert the waters of the James Bay Basin to the Great Lakes, the minister has just stated that no study in that connection has been more thorough than that of Mr. Kierans. Maybe those studies were not

yet complete enough to permit the government to take a decision or to accept this engineer's recommendations. I regret, however, that the government has not asked expert engineers to consider the economic possibilities of such a project.

In short, the minister has just said that the provinces have not the required authority to undertake such projects. It may be so, but it is also true that the federal government cannot take any unilateral decision regarding the diversion of waters falling under provincial jurisdiction.

We know what happened about the Columbia River project in British Columbia, and I am convinced that if the federal government at any time attempted to initiate such a project alone in the province of Quebec, the authorities would object. The consent of both levels of government is required in order to initiate such a project.

They claim it is not necessary at this time, but I wish to point out to the minister and to the government that there is much talk at present about water pollution. In the North, we have huge quantities of unused water. This is a natural resource that renews itself continually. Now, it merges with the sea. I suggest this might be a way of settling, at least partially, the problem of water pollution.

We are told that only three per cent of the earth's water is drinking water, of which two per cent is ice. I believe this natural resource could be made to help the Canadian people, and the government should, with the co-operation of Quebec and Ontario, undertake as soon as possible the necessary studies in this field.

[*English*]

POLLUTION

SOUTH COAST OF NEWFOUNDLAND—CHEDABUCTO BAY—REPORT ON PRESENT SITUATION

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, on Friday last I announced the appointment of a special project group, headed by Dr. P. D. McTaggart-Cowan, to deal with the problems created by the grounding of the oil tanker *Arrow* in Chedabucto Bay, Nova Scotia. Dr. McTaggart-Cowan is, of course, a very distinguished Canadian scientist who is executive director of the Canadian Science Council. Other members of the special group are: Dr. H. Sheffer, Vice-Chairman of the Defence Research Board and Captain M. Martin of Maritime Command of the armed services.

• (2:40 p.m.)

Dr. McTaggart-Cowan and his associates were also asked to investigate and make recommendations concerning the oil slick reported last week off the south coast of Newfoundland. I am advised by them that this particular spill is not of major proportions. It was serious, of course, because of its effect on sea birds in the vicinity. At last report, however, very little oil had reached the Newfoundland coast, the bulk of it, according to on-the-spot reports, having been broken up and dispersed by high seas and offshore winds. Should oil appear on the Newfoundland coast in any significant quantity, clean-up crews will be sent to the affected area immediately.

The project group has now made a thorough study of the Chedabucto Bay area. It has also enlisted the support of various other agencies throughout Canada and the United States including, for example, authorities on fisheries and ecology and others with specialized knowledge of oil removal techniques. Imperial Oil, who were the charterers, have of course co-operated from the beginning and their continued co-operation is important.

So far as is known, this is the first serious oil spill to occur in waters as cold as those to be found, at this time of year, off the Canadian east coast. Therefore there is virtually no past experience on which the project group can draw; indeed, as has been stated repeatedly by all authorities in the field, successful techniques have not yet been developed anywhere in the world for coping quickly, effectively and safely with this type of situation.

Mr. Forrestall: Believe me, that is very true.

Mr. Jamieson: The basic problem is, of course, one of containment and disposal in ways that will prove least harmful to the environment. Dr. McTaggart-Cowan, his associates and advisers have given me a first report on their investigation and proposed solutions and I will attempt to pass this information along in as clear a manner as possible to hon. members.

First, as to general conditions in the area. The heavy type oil that has leaked from the grounded vessel has, for the most part, reached the largely rocky shoreline of Chedabucto Bay. Because of its consistency virtually all the oil has remained on the surface.

This means, in the view of the scientists, that no significant damage has yet been done to fish and other forms of underwater life. Some of the oil appears to have been driven seaward. Traces have been found 25 miles off shore and to a water depth of 50 meters. These traces are not sufficient in size to be harmful. The major concentrations, therefore, are along the shores of the bay, with accumulations in some areas much greater than in others. There is also, of course, the oil remaining in the two sections of the broken hull still on the rock.

Many sections of the shoreline are entirely clean, but the nature of the oil is such that some of it is moved about by wind and tide. This explains why various estimates of the amount of shoreline affected differ from day to day.

The project group has confirmed the earlier assessment I gave the House that the biggest single threat continues to be the amount of oil still in the wreck. This could be close to twice as much as has leaked out already. Therefore the group will continue the total effort to remove this oil as quickly as possible. At the same time, however, work will proceed on cleaning up the shoreline, with particular emphasis on the protection of the fish plants located in the area.

Thanks to the very great efforts of all who have been on this difficult project from the beginning, the placement of booms and other devices has kept the harbours where the plants are located virtually free of contamination. This work will continue and be intensified. Incidentally, all fish brought to these plants are caught on the Grand Banks or other offshore fishing grounds well removed from the affected area.

The project group has devised a number of different approaches to the clean-up problem. This is because existing conditions, which permit the use of certain techniques, may be changed by weather conditions or other factors. For example, a further assessment of the condition of the hull is now being carried out by navy divers. Best evidence to date is that the forward part of the broken ship is reasonably stable but that there is some movement in response to wind and tide action. The rear section, which is thought to contain a larger quantity of oil, is on a ledge, is not stable and could slide off into a nearby trench about 150 feet deep.

If the two halves remain as at present, salvage may be possible. Then the two sections could be towed away either into a sheltered area, where cargo removal would be easier, or well out to sea and sunk. If salvage is impossible, and this is the more likely prospect, special equipment will be used to pump the oil from the hull. This equipment has had to be manufactured for the purpose and is now being tested. When the oil is extracted it may be possible to pump it into barges, but an alternative solution would be its release in controlled quantities followed by containment and disposal. This could be accomplished either through burning or the absorption of the oil into other substances, such as sawdust, peat moss or other highly absorbent materials. Sawdust, incidentally, absorbs about five times its weight in oil, peat moss up to ten times its weight. These two materials will also be used in cleaning up the shoreline.

Mr. Forrestall: Why did you not burn the oil?

Mr. Jamieson: The first task here is to move the spilled oil now along the shore up beyond the high-water mark. For this purpose bulldozers are being used and, since there is no road access to much of the area, this equipment, in many cases, must be brought in by barges from the seaward side. Of course, a good deal of manpower must also be used in the exercise. In this connection the Armed Services have provided excellent co-operation to date, and their help will be invaluable in this aspect in the weeks to come.

As regards destruction or removal of the oil pollution, the use of peat moss, sawdust, straw and other materials is preferable to the use of chemicals which can have a long-term detrimental effect, as the *Torrey Canyon* incident showed. We have also been testing new chemicals which have been developed since the *Torrey Canyon.*

As I have stated previously, the biggest ongoing danger is that the hull may deteriorate further thus releasing more oil. If this were to happen then, even though the beaches had been cleaned, the task would have to be undertaken again. This is why the problem with the wreck is being dealt with on an urgent basis. No great quantity of oil is now leaking from the two hull sections, but undoubtedly some is escaping as the stern section in particular moves about.

The task has been, and will continue to be, long and difficult. As has been stated publicly by many people, those who have been working at the scene deserve great credit for their all-out effort under very trying and danger-

ous circumstances. I have asked Dr. McTaggart-Cowan and his associates to have the pollution cleaned up by the start of the major fishing season in the area about May first.

Mr. Forrestall: They have a fat chance.

Mr. Jamieson: They have undertaken to do so to the very best of their ability.

Mr. Forrestall: A fat chance they have.

Mr. Jamieson: Mr. Speaker, what kind of comments is the hon. member making?

Mr. Forrestall: Why did you people not burn the oil. Why did the minister not deal with that?

Mr. Speaker: Order, please. The minister has the floor now.

Mr. Forrestall: Why did he not deal with it, Mr. Speaker? Why did he not deal with the question of burning the oil? Tell us why.

Mr. Speaker: Order. The Minister of Transport.

Mr. Jamieson: Thank you, Mr. Speaker. As I was saying before I was so rudely interrupted—

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Mr. Forrestall: Why did you not burn the oil? It was crude oil, not rude oil.

Mr. Speaker: Order, please. I wonder whether the minister should not be allowed to finish his statement.

Mr. Forrestall: Yes, let him finish.

An hon. Member: This behaviour is quite normal for the opposition.

Mr. Nowlan: You wouldn't know anything about that, Joe.

Mr. Jamieson: Mr. Speaker, apparently it is impossible for me to complete my remarks to the House.

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please.

An hon. Member: Let's pour oil on troubled waters.

Mr. Speaker: Order, please. We do not appear to be making much progress. Perhaps the minister might be allowed to complete his statement and then some hon. members on behalf of opposition parties will have an opportunity to comment on the statement.

[Mr. Jamieson.]

Mr. Jamieson: Thank you very much, Mr. Speaker. As I was saying, I have asked Dr. McTaggart-Cowan and his associates to have the pollution cleaned up by the start of the major fishing season in the area about May first. They have undertaken to do so to the very best of their ability. In their effort they will have the full support of all government and many private Canadian and international agencies.

Dr. McTaggart-Cowan is meeting today with the Premier of Nova Scotia so that he may be fully informed and that the interests and concerns of the province are taken fully into account. They have also been co-operating throughout and their efforts will also contribute to the solution.

I indicated previously that an independent inquiry into the accident will be held without delay. In addition, the project group will maintain detailed records of all their activities and prepare a full report and recommendations which will, I am sure, prove helpful to us and to the international community in the future.

Mr. Forrestall: Shameful, shameful!

Mr. Speaker: The Leader of the Opposition.

Some hon. Members: Forrestall, Forrestall!

An hon. Member: Let's hear from him.

Mr. Speaker: Order, please.

Mr. Nowlan: You people over there had better be quiet.

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I thought for a minute hon. members were calling for the white paper.

Some hon. Members: Oh, oh!

• (2:50 p.m.)

Mr. Stanfield: The minister referred to the coldness of the water off that part of Nova Scotia at this time of year. I think he realizes that however cold that water may be, the water he is in is pretty hot.

Some hon. Members: Oh, oh!

Some hon. Members: Hear, hear!

Mr. Speaker: Order, please. The Leader of the Opposition should be given the opportunity to make his statement in reply to the minister's statement.

Mr. Stanfield: The usual method of the Minister of Transport is to try to pour oil on troubled waters. Obviously that will not work in this case. I agree, naturally, that the people who work on the spot deserve a great deal of credit. But I am concerned about one note which seemed to come through in the minister's statement. There seemed to be an attitude pretty close to complacency with regard to the extent of the damage which has already occurred. One would almost believe from his statement that very little serious damage has been done to date. This is not the case, of course, and as far as the fishery is concerned the statement of the minister that little damage has been done is of doubtful value.

The question of damages is something which the minister and the government as a whole should consider. In addition to the matters touched upon by the minister, the difficult position of those who are suffering damages ought to be considered. What recourse will they have? We are concerned here about many relatively modest Nova Scotians who are not in the same position as large corporations when it comes to seeking legal advice. The government has an obligation to be helpful in connection with the assessment of damages and seeing that these people obtain recourse.

The minister said there was to be an independent inquiry. I do not know exactly what he meant by that; I wish he would spell it out more precisely. It is of the utmost importance that a public inquiry be held—not just an inquiry within the department or under the Canada Shipping Act but a fully independent and fully public inquiry.

It seems clear that neither the government nor the Department of Transport were ready to deal with this tragedy. I agree, of course, that it is not possible to prevent every occurrence of this sort, but it has become evident that the government and the department had no regulations in effect designed to lessen the chance of such an occurrence. It is also evident that the department had no plan ready to be put into operation. Members on this side of the House called out to ask the minister why the vessel was not destroyed when there was a chance to destroy it.

Mr. Jamieson: They asked: "Why didn't you burn it?"

Mr. Stanfield: All right, "Why didn't you burn it?" I simply enlarged the question by using the term "destroy". This question has not been answered and it ought to be answered in the course of a public inquiry.

This was a great tragedy, but far worse will occur in future unless the government learns a lesson, unless we all learn a lesson, from what has taken place. The minister is well aware that in the very area with which we are concerned now the depth of water is such that the port lends itself to the use of the largest oil tankers which have been conceived. The tanker which went aground is very small in comparison with the tankers which may be using these waters before very long. It is essential that the department take effective measures designed to prevent occurrences of this kind, and place themselves in readiness to take prompt action.

All this, of course, has an obvious bearing on the north. It has an obvious bearing on the Arctic waters. It has an obvious bearing on the conditions under which the Minister of Energy, Mines and Resources grants leases for drilling in the north. It also has an important bearing on the use of our territorial waters and the waters off our east and west coast.

An hon. Member: Heavy water!

Mr. Stanfield: The heavy water is not as heavy as the oil around the minister. Of course it is obvious there ought to be the fullest possible international co-operation. I can see it would be desirable to develop an international research team in connection with this kind of thing as well as an international team to devise the best methods of cleaning up after such occurrences. But the point to be emphasized is that the responsibility in the territorial waters is the responsibility of the government of Canada; it is not an international responsibility, although one would, of course, seek all the international help one could get.

So we want an assurance from the minister that there is to be a public inquiry by an independent body. We can hope that such an inquiry will not only throw further light on what happened here but will help us to prevent this kind of thing happening again. In addition, it might place the government in a better position to deal with such an occurrence if, unfortunately, it were to happen.

Pollution of Chedabucto Bay

Mr. Randolph Harding (Kootenay West): Mr. Speaker, I have listened with a great deal of interest to the statement made by the minister, and I welcome the indication that action is contemplated to deal with oil pollution in circumstances such as the sinking of the *Arrow*. I will say that since the occurrence took place the minister has been extremely active in trying to set up programs and plans for cleaning up the pollution.

I am sure he has found, however, as the rest of us in this House have found, that we just do not have the legislation on the statute books of this country to enable us to deal adequately with problems of the kind which arose a number of days ago off the coast of Nova Scotia. I should like to make a few recommendations later in the hope that we may be able to prevent a repetition of the *Arrow* disaster.

The *Arrow* incident has emphasized the need for a complete review of our legislation and regulations designed to deal with the ever-increasing threat of oil pollution. Our whole approach needs to be revised. I am certain every member of the House would agree with me that we do not wish to see a repetition of the *Arrow* incident. One thing has been made very clear. There is a lack of planning to deal with such contingencies as the sinking of the *Arrow* despite the assurance which I received on January 14 in a reply from one of the ministers that contingency plans to take care of oil spillages had been prepared. I believe hon. members will agree with me when I say that even if such plans had been set up, they were, in the event, totally inadequate to deal with this situation.

• (3:00 p.m.)

Having regard to the lack of adequate planning and research in connection with the whole subject of oil pollution, I should like to say a few words about the possibility of a further tragedy occurring in Canadian waters. I have in mind the proposed second voyage of the *Manhattan* through Canadian Arctic waters. In my opinion, this trip should not take place. A moratorium should be put into effect until there is sufficient knowledge, information and plans to deal with any possible oil pollution. It has been amply demonstrated that we do not have any contingency plans at the present time to deal with oil spills despite the assurance, as I said earlier, that was given in the House over a month ago. I feel that until a full and adequate set of contingency plans has been developed that can be put into effect anywhere in our territorial waters, we should not allow the *Manhattan* to make a second trip through our Arctic archipelago.

We have set up a task force under Dr. McTaggart-Cowan to delve into oil pollution problems resulting from the sinking of the *Arrow*. Reports by the task force will help to solve any future oil spillage problems. In my opinion, such reports should be made public, and legislation and regulations based on the findings of the task force should be drafted and made law before we even consider a second trip through the Arctic by the *Manhattan*.

Last year the House passed an amendment to the Canada Shipping Act, Bill S-23. The bill initially included in section 495D an amendment which provided unlimited liability in the event of a maritime disaster involving oil pollution. This section was deleted by the Senate committee on the pretext that the Brussels International Conference on Maritime Oil Pollution would be held in the fall of 1969 and would discuss such matters as liability.

I understand that the Minister of Transport is not opposed to the unlimited liability clause, and I urge him to make certain that legislation dealing with unlimited liability be brought in at this session of Parliament. We have been informed through interviews that the minister has had with the press that Canada already has legislation drafted that will make vessel owners and operators entirely liable for damages resulting from accidental oil spills in Canada's territorial waters. I say to the government: Let us have this legislation without delay. The *Arrow* disaster should have taught us a lesson. Instead, it caught the government with its oil pollution regulations down.

There are two or three additional points I should like to make before I sit down. I feel that the whole field of oil pollution must be investigated by the various departments responsible. There are three or four clearly defined areas about which the members of this House should do something during this session. The first area is water transport. There has been a vast increase in oil shipments in Canadian coastal waters, in fact all over the world, and in this regard I think we should discuss navigation and the types of ships that should be allowed to carry oil cargoes. As far as the Arctic is concerned, ships should be specially designed for Arctic

conditions. Liability and types of transport are questions that have to be looked into.

My second point concerns oil drilling.

Mr. Speaker: Order, please. The hon. member indicated a moment ago that he had a few points left. I think he should take into account the terms of the Standing Order. As Speaker of the House I have tried to interpret as liberally—if I may use the word—as possible the Standing Order in question, which requires that statements by members representing parties in opposition should be brief. I realize that if the ministerial statement itself is lengthy there is a temptation for opposition spokesmen to make lengthy comments, but certainly an effort should be made by hon. members to limit these comments as much as possible.

Mr. Harding: Mr. Speaker, I had only two or three points to make and I could have got through them in 30 or 40 seconds had Your Honour not risen.

In summarizing these points, I was attempting to point out to the House that I presumed Dr. McTaggart-Cowan and his research assistants would be making recommendations along the lines I have suggested to the government, namely, with regard to oil drilling and safety regulations. I further suggest that oil drilling should be barred completely from areas such as Georgia Strait, if that is the wish of the government and members of this House, and provision should thus be made.

My last point is that research into the conditions that obtain in the extremely cold waters of the Arctic must go ahead promptly. Research must be stepped up in this regard. Until we have such information we will not be in a position to lay down adequate and sensible regulations. I urge the government to proceed without delay.

ORAL QUESTION PERIOD

CANADIAN SOVEREIGNTY

GEORGES BANK—REPLY TO UNITED STATES NOTE—GOVERNMENT POLICY

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I have a question for the Prime Minister. Has the government made a formal reply to the diplomatic note from the United States government dated November 5, 1969 in which the United States government disputed the presumption of Canadian ownership over the northeast section of Georges Bank, which is an area off the coast of Nova Scotia. Has the government of Canada replied to that note?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I am not sure in what form a reply was made, but I do know that there was an exchange, either verbally or written, between the United States government and the Canadian government on this subject. Both governments have agreed to pursue negotiations as to the establishment of a dividing line delineating the shelf on the United States side and on our side.

Mr. Stanfield: A supplementary question. Would either the Prime Minister or the Secretary of State for External Affairs make a statement to the House at an early date outlining the position of the government of Canada with regard to this dispute? That is to say, what is the attitude of the government of Canada with regard to Canadian sovereignty over these submarine lands? Could the Prime Minister give the House information outlining the precise position that is being taken by the government of Canada?

Mr. Trudeau: Mr. Speaker, I do not think it would be necessary to make a statement. The position of the Canadian government is quite clear and we have acted upon it. Our position is that the Geneva convention, to which both countries adhere, provides that the median line applies in cases such as this. In effect, this is the line that the Canadian government has been following. Any permits that have been issued under the authority of Canada have related to the area inside and up to the median line. This is our position and this is the position we took in discussions with the United States.

Mr. Stanfield: I have a further supplementary question. Does the government of the United States dispute this principle or does it dispute that the median line is in fact where the government of Canada believes it to be?

Mr. Trudeau: Mr. Speaker, I do not know if dispute is not perhaps too strong a word in this case, but the United States certainly disagree with the median line principle as applying in this case. I do not want to state their case for them, but it is that this is a case where special circumstances might apply; that there are special circumstances having to do with the shape of the continental shelf so that some other special rules should apply.

We are merely adhering to the general rule as provided by the Geneva convention, and that is our very strong position.

[*Later:*]

Mr. Stanfield: I should like to return to a subject matter which was opened up at the beginning of the question period and ask the Prime Minister what the next step will be in resolving the dispute between Canada and the United States. Has any procedure been suggested?

Mr. Trudeau: Yes, Mr. Speaker. I believe I said that the two governments were negotiating and that they were going to have meetings forthwith to try to come to terms on this dispute.

ARCTIC WATERS—POLICY OF GOVERNMENT

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I direct a question to the right hon. Prime Minister regarding the matter of Canadian sovereignty over the waters between the islands of the Arctic archipelago. In view of the fact that the statement of the Secretary of State for External Affairs outside the House was much more specific than his statement inside the House, I should like to ask the Prime Minister whether the minister was making a statement of government policy in his comments which were reported in the press and carried over television to the effect that these are our waters, there has never been any question about that, and we have always regarded them as our waters?

An hon. Member: That is the one to answer.

Right Hon. P. E. Trudeau (Prime Minister): That is the one, not the one about oil? Yes, Mr. Speaker, when he is talking about "these waters" he is talking about government policy.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, in view of the fact that a few days ago a prominent public figure in the United States said that, in the opinion of United States authorities, Canadian sovereignty only extended three miles from the shores of these islands, has the Canadian government made the policy, which the Prime Minister has just endorsed, abundantly clear to the government of the United States?

Mr. Trudeau: Mr. Speaker, as we said at the beginning of the session, many of these positions will be stated when we get to the debate on control of pollution in the Arctic. In the meantime, of course, there are contacts between the United States government and the Canadian government. I have not heard that any high official of the United States—

Mr. Korchinski: Why wait for spring? Do it now.

Mr. Trudeau: What is that?

Mr. Korchinski: Why wait for spring? Do it now.

Some hon. Members: Oh, oh.

Mr. Speaker: Order, please.

PROJECTED SECOND VOYAGE BY "MANHATTAN" THROUGH NORTHWEST PASSAGE

Mr. G. W. Baldwin (Peace River): Mr. Speaker, has the government, in the exercise of its newly found courage, advised the Humble Oil Company that the *Manhattan* will not be allowed to go through the Northwest Passage until the Canadian government is assured by inspection or otherwise that the voyage can be made safely and securely?

Right Hon. P. E. Trudeau (Prime Minister): As I said in the House a few days ago, Mr. Speaker, only if the Canadian government is convinced that this will be the case and that the voyage can be made safely and securely will it be allowed.

Mr. Baldwin: Has the government advised the oil company to this effect?

Mr. Trudeau: Mr. Speaker, we are engaged in discussions with Humble Oil. We have taken this position. I am saying it publicly in the House now. I do not know to what extent all of it was put in writing or verbally, but this is certainly the Canadian government's position and it should suffice the hon. member to hear me say so.

Mr. Baldwin: I had to persuade you to say it now.

Mr. W. B. Nesbitt (Oxford): Just a brief supplementary, Your Honour, to the right hon. Prime Minister. Since there seems to be no disagreement in this House about Canada's sovereignty over the Arctic, would the Prime Minister then recommend to his colleague the House Leader that we proceed with item No. 62 on the Order Paper, concurrence in the first report of the Standing Committee on Indian Affairs and Northern Development?

Some hon. Members: Hear, hear.

Mr. Speaker: Order, please.

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, in view of the Prime Minister's answer which was most revealing, when did the discussions and/or the correspondence begin with the Humble Oil Company?

Mr. Trudeau: As far as I know, the first knowledge we had of the new request by Humble Oil came in the past few days; perhaps a week or so ago.

Mr. Paul Yewchuk (Athabasca): I have a supplementary question, Mr. Speaker. I was wondering whether the Prime Minister could say, when he referred to "these waters" in response to the question by the hon. member for Nanaimo-Cowichan-The Islands, he meant by "these waters" the entire waters of the Northwest Passage?

Mr. Trudeau: Mr. Speaker, I was given a quotation from the minister referring to "these waters". I take it he was referring to Canadian waters.

Mr. Nowlan: I have a supplementary, Mr. Speaker. In view of the fact that this position of northern sovereignty has been clarified in the last few days, I wonder whether the Prime Minister or the Secretary of State for External Affairs has had any communication with the Russians as to how they declare their sovereignty over their northern waters?

An hon. Member: Take it up with the NDP.

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please. I think in all fairness to other hon. members, for the moment we might go on to another question.

[*Translation*]

AIR CANADA

ABANDONMENT OF SERVICE TO TROIS-RIVIÈRES AND BAGOTVILLE

Mr. Roland Godin (Portneuf): Mr. Speaker, I have a question for the Minister of Transport.

Can he confirm if it is true that Air Canada has been authorized to discontinue its services at Trois-Rivières and Bagotville? If so, when will this take effect?

Mr. Speaker: I have doubts as to whether the question is in order at this time, but the minister may answer if he wishes to.

[*English*]

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, there have been some discussions held with regard to rationalization of some Air Canada routes, but no decision has been made either upon the ones to which the hon. member refers or any others.

TRANSPORT

DEPARTMENTAL REORGANIZATION—LEGISLATION TO ESTABLISH CROWN CORPORATIONS

Mr. J. H. Horner (Crowfoot): Mr. Speaker, I should like to direct a question to the Minister of Transport. In light of his statement in respect of reorganization of his department, can we expect legislation dealing with the setting up of Crown corporations for major airports in Canada, the National Harbours Board and the St. Lawrence Seaway?

Hon. Donald C. Jamieson (Minister of Transport): If the decision is to move by way of establishing Crown corporations, of course, yes; but as I indicated, that has not been a firm decision as yet.

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, I should like to direct a supplementary question to the Minister of Transport. In view of the concept and/or philosophy of pay-as-you-go in respect of these extensions of the Department of Transport, does this mean to the Canadian taxpayer there will be a curtailment of service?

Mr. Jamieson: I do not know about that, Mr. Speaker, but the hon. member obviously is aware of the concept of fly now, pay later.

Some hon. Members: Hear, hear.

Mr. Nowlan: Mr. Speaker, I am the first one to receive, with all the generosity of my Irish heart, any thought from the Minister of Transport of fly now and pay later, but as a Nova Scotian, let alone a Canadian, I am prepared to say that this House cannot prevent the current—

Some hon. Members: Oh, oh!

Mr. Nowlan: I am prepared to say that fly now, pay later is fine in philosophy, but the trouble with this government's philosphy, and I am one of those on this side of the House—

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please. May we have order. The hon. member has indicated he has a supplementary question. Perhaps he might ask it.

Mr. Nowlan: My question is very simple and succinct.

Some hon. Members: Hear, hear!

Mr. Nowlan: I would not want the simplicity to be lost in the barrage of thought and/or noise from the other side, Mr. Speaker. If the Minister of Transport thinks that I am going to be—

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please. I wonder whether the hon. member would make it easier for all of us by asking the question.

Mr. Nowlan: Mr. Speaker, the Minister of Transport would have made it easier for me if he had responded to the last question without his extension, but because the minister—

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please. As hon. members know, there are only so many minutes during the question period. If we spend all our time on the same matter and the same question, perhaps other hon. members will be deprived of an opportunity to participate. I will allow the hon. member's supplementary, but I hope he will ask it as soon as possible.

Mr. Nowlan: Mr. Speaker, in view of your admonition concerning a time limit on the question period, and in view of the fact that the minister's reply was not responsive to the question, I would not want to impose upon hon. members of this House by attempting to respond to the minister within the time limit. Therefore, I withdraw.

Mr. Speaker: I thank the hon. member for his co-operation. I would hesitate very much to grant a further supplementary on the same subject at this time. The hon. member for Winnipeg North Centre.

Mr. Nowlan: On a point of order, Mr. Speaker—I am not going to sit down, Mr. Parry Sound-Muskoka.

Some hon. Members: Hear, hear!

Mr. Nowlan: I am not going to sit down, Mr. Speaker, until you tell me to sit down. The reason I did not ask a question was I thought I could help the business of the House in respect of other questions, but I have another thing to say—

Mr. Speaker: Order, please. I fully realized the position taken by the hon. member. I just thought that, in co-operation with the Chair, perhaps we should move on to another subject. I would appreciate that very much and am still asking for co-operation to give the House an opportunity to go on to another subject.

Mr. Nowlan: Mr. Speaker, you have my full co-operation. Since I cannot get my question in in an informal way I will ask it directly. First of all, I should like to put a question to the Minister of Transport. In view of the fact that the *Arrow*, now sunk in Chedabucto Bay, still contains many millions of gallons of oil that will pollute the shores, I would hope the Minister of Transport would no longer pollute the atmosphere of this chamber with his corn when the shores of Nova Scotia are getting the oil.

Mr. Speaker: Order, please.

PENSIONS

RETIRED CNR EMPLOYEES—COMMITTEE CONSIDERATION OF INCREASE

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of Transport.

Mr. Speaker: Order, please. I wonder whether the hon. member might be given an opportunity to ask his question.

Mr. Knowles (Winnipeg North Centre): Thank you, Mr. Speaker. In view of the assurance the minister gave on January 14 that he would use his good offices to speed up the committee consideration of the question of increasing the pensions of retired CNR employees, can he now tell me whether he has done so and with what result?

Hon. Donald C. Jamieson (Minister of Transport): Yes I have, Mr. Speaker. I have consulted with the chairman of the Committee on Transport and Communications. It is my understanding he has consulted with the representatives of the various parties. We can be ready whenever the chairman and the committee, which is the master of its own affairs, decide to go on to this item.

AIR TRANSPORT

BILATERAL DISCUSSIONS ON HIJACKING AND DESTRUCTION OF AIRCRAFT

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, my question is also for the favourite minister this afternoon, the Minister of Transport. Could he tell us whether it is the intention of the government of Canada to

initiate discussions with other countries on a bilateral basis, aside from the conference with Cuba, dealing with problems arising out of the hijacking and cowardly and murderous destruction of civil aircraft, beyond the Tokyo convention?

Hon. Donald C. Jamieson (Minister of Transport): Canada is a part of all discussions going on on an international basis through IATA and the like, but as I indicated yesterday there are also bilateral discussions with Cuba on the same subject. We will participate in any discussion with any country designed to bring an end to this problem.

Mr. Lambert (Edmonton West): Mr. Speaker, my question was whether Canada is taking an initiative in going beyond the terms of the Tokyo convention because this dealt with hijacking. I refer to the wanton and murderous destruction of aircraft.

Mr. Jamieson: The organization through which this normally would be dealt is ICAO. I can assure the House that in the new round of representations which will take place in a matter of days, I believe, we will take a strong stand because our position is that there should be the maximum effort in this regard. How that is to be carried out, of course, as the hon. member knows is exceedingly difficult.

POLLUTION

TESTING OF WATERS ADJACENT TO COLUMBIA CELLULOSE MILLS, WATSON ISLAND, B.C.

Mr. Frank Howard (Skeena): Mr. Speaker, this question is for the Minister of Fisheries. The other day I inquired about a particular report concerning some water studies and the like near Prince Rupert. Is the minister in a position to state whether or not this report and the result of the studies can be made public?

Hon. Jack Davis (Minister of Fisheries): The answer is yes, Mr. Speaker. The report of the investigation can be made public.

[*Translation*]

OIL

POSSIBLE REDUCTION IN EXPORTS TO UNITED STATES

Mr. Léonel Beaudoin (Richmond): I wish to direct a question to the Minister of Energy, Mines and Resources.

As I have received no answer to my question of last week, I will ask it again. Has he been informed of the requests forwarded to President Nixon by the independent association of oil producers of America in order to obtain a reduction of United States imports of Canadian oil?

[*English*]

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, I have been informed that the U.S. section of the Independent Petroleum Association of the United States has made a report complaining of the amount of Canadian oil that is finding its way into the United States market. That has been brought to my attention.

WATER RESOURCES

SCOPE OF STUDIES IN NORTHERN ONTARIO

Mr. B. Keith Penner (Thunder Bay): Mr. Speaker, my question is for the Minister of Energy, Mines and Resources. I was pleased to hear the minister's statement concerning the water studies being conducted in northern Ontario, but I should like to know from him if these studies also include sociological and ecological considerations, in addition to the hydrological and engineering aspects.

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, the statement of the Prime Minister and the premier of Ontario issued at that time I think, indicated that the studies would encompass present and future requirements of such waters. The studies to date are largely hydrographical and engineering, but my colleague the cabinet minister without portfolio from Thunder Bay has already drawn my attention to the fact that he believes they should be enlarged to include ecological and sociological considerations. I will be very glad to take the matter up with my Ontario confrères.

INCOME TAX

SUGGESTED INCREASE IN EXEMPTION GRANTED TO VOLUNTEER FIREMEN

Mr. W. M. Howe (Wellington-Grey): Mr. Speaker, this question is for the Minister of Finance. In view of the tremendous contribution made by volunteer firemen all across Canada in protecting lives and property, and in view of the fact that they have been caught up in the inflationary spiral and are finding the costs of replacing or cleaning damaged wearing apparel an increasing burden, will

the minister in his forthcoming budget take steps to have the income tax exemption for these very worthy people raised from $300 to $600?

Mr. Speaker: It seems to me the hon. member's question has reference to the budget itself. In this way, the question is not in order at this time.

ENERGY

NEGOTIATIONS WITH UNITED STATES ON INTEGRATED POLICY

Mr. David Lewis (York South): Mr. Speaker, I should like to ask a question of the Minister of Energy, Mines and Resources arising out of the United States task force report and the recent statement by the President of the United States. Can the minister inform the House whether there are now continuing, active negotiations between the governments of the two countries with a view to establishing a continental integrated energy policy for the two countries?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, I do not think anyone has spoken of an integrated continental policy. The President in his message last Friday indicated he thought there should be broad negotiation on a variety of energy questions. The specific discussion concerning the long-term arrangements which can be made have not yet commenced as the President's speech was only made on Friday. But we have been having continuous discussions with our American counterparts with regard to the short term question of the quantum of oil exports from Canada into the U.S. oil markets.

Mr. Lewis: May I ask the minister whether the U.S. participants in these negotiations have placed before their Canadian counterparts, and whether the U.S. Secretary of the Interior has placed before the minister, as a condition for further negotiations on the question of the import of Canadian oil to the United States, that discussions with regard to some kind of policy respecting other forms of energy should take place as well?

Mr. Greene: No, Mr. Speaker. Neither my counterpart in the U.S., the secretary of the interior or any other responsible person in the United States administration has, to my knowledge, put any conditions to either continuing or expanded export of Canadian oil, nor any conditions as to the fullest discussions on energy matters between our two countries. I do not believe there are any conditions. It is a matter of attempting to achieve agreement in the interest of Canada which will be to the mutual advantage of both countries.

INQUIRY OF THE MINISTRY

Mr. Barney Danson (York North): I should like to ask the Prime Minister whether he intends to accept the rather intriguing suggestion of the Leader of the Opposition, which I believe was made in Montreal this weekend, to abandon the inflation fight by diverting the budgeted surplus to inflationary consumer spending.

Mr. Lambert (Edmonton West): That is your nonsense.

Mr. Baldwin: Eleven o'clock.

Mr. Speaker: Order, please. I doubt whether this is the kind of question which should be allowed at this time.

An hon. Member: It is highly argumentative.

GRAIN

PRESENT STATUS OF INTERNATIONAL GRAINS ARRANGEMENT

Mr. R. R. Southam (Qu'Appelle-Moose Mountain): I have a question for the Minister without Portfolio who reports to the House for the Canadian Wheat Board. In light of the minister's recent trip to Washington D.C. and his discussions with the United States Secretary of Agriculture, Mr. Clifford Hardin, can the minister indicate whether in his talks with Mr. Hardin the present status of the International Grains Agreement came under review, and, if so, what is the present situation regarding this international commodity agreement?

Hon. Otto E. Lang (Minister without Portfolio): In our conversations we talked about a good number of things, including the present and future situation with regard to the pricing of grain. The present status, of course, is that prices generally are below the minimums established in the agreement. Furthermore, we are approaching the period when discussions must begin about the continuation period after the end of the current agreement.

Mr. Southam: Can the minister indicate whether our U.S. counterparts in this international commodity agreement are approaching

the stage at which they will agree to stabilize the present floor prices under the wheat agreement?

Mr. Lang: I have indicated before that since the time in March when we found it necessary to move our prices below the minimum, a good degree of stability has been restored to the pricing of wheat. I have nothing further to add to the statement I made on that subject before.

Mr. G. W. Baldwin (Peace River): Could the minister say whether the National Farmers Union have any reason for the deep pessimism they have expressed about the statement which the minister intends to make in the House shortly with regard to the situation in western Canada?

Mr. Speaker: Order, please. The question as asked is not in order.

POLLUTION

ARCTIC WATERS—COMMITTEE RECOMMENDATION RESPECTING HYDROCARBON POLLUTANTS

Mr. Paul St. Pierre (Coast-Chilcotin): I have a question for the Minister of Transport which arises out of his statement to the House earlier today on the Chedabucto Bay spill. In view of the fact that a clean up of the spill in the Arctic will present immeasurably greater problems, can the minister tell the House when we may expect a response to the standing committee's recommendations that there should be scientific studies made of hydrocarbon action in Arctic waters?

Hon. Donald C. Jamieson (Minister of Transport): Some work in this connection is under way now, but in addition I have asked Dr. McTaggart Cowan and his group to keep full records of what they are doing in this water, the temperature of which is about 35 degrees. It is my hope that perhaps we could carry these studies beyond the initial ones made and perhaps do the kind of studies in the Arctic to which the hon. member referred.

OIL—INQUIRY AS TO INTRODUCTION OF LEGISLATION

Mr. James A. McGrath (St. John's East): May I ask the minister whether it is his intention to put his proposed legislation dealing with oil pollution on high seas and liability in relation thereto before Parliament before the second voyage of the *Manhattan* through Canadian waters?

Hon. Donald C. Jamieson (Minister of Transport): It may be impossible. I am not sure of the actual dates when this voyage is proposed, but if it is not possible to have the actual legislation before the House at that time I can assure hon. members that no ice breaker assistance or any other assistance will be provided unless the ship meets with the qualifications that would, in fact, be in effect if the legislation were implemented.

ARCTIC WATERS—REFUSAL OF OFFSHORE DRILLING RIGHTS PENDING DEVELOPMENT OF SAFEGUARDS

Mr. George Muir (Lisgar): I have a question for the Minister of Energy, Mines and Resources. In view of the fact that the known quantities of oil on the North American continent would seem to be adequate for the foreseeable future, would the government give consideration to refusing any offshore oil drilling rights among our Arctic islands to protect the ecology of that area until such time as efficient drilling safeguards have been developed?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, this problem comes under the jurisdiction of my department. In fact, we have for a long time delivered leases for drilling of oil fields in the Arctic archipelago, and we have created a tripartite committee made up of industrialists, conservation officials and officials of my department, in order to ascertain that any drilling in the North will be done in such a way as to preserve the animal life whose existence is very precarious in that region of Canada.

[*English*]

BANNING OF PHOSPHATES IN DETERGENTS

Mrs. Grace MacInnis (Vancouver-Kingsway): I have a question for the Minister of Energy, Mines and Resources. In view of the fact that, thanks to Professor Philip Jones, we now have available for manufacture Formula N, a completely non-phosphate detergent, has the minister now made up his mind to lose no further time in banning phosphate detergents from the market?

An hon. Member: Let's go, Mr. Greene.

Hon. J. J. Greene (Minister of Energy, Mines and Resources): I think I have stated in the clearest possible terms that phosphates above a certain acceptable percentage will be banned on August 1. I met the presidents of

some of the phosphate companies and assured them that the date of August 1 was firm. May I also point out to the hon. lady that while there may be some discovery made by Professor Jones, supplies must still be available for the many ladies and others who do washing in Canada before the perfect solution is found. May I also tell her that NTA, a substitute which has been used in Sweden particularly, is available, but only in small quantities.

Mr. Speaker: Order, please. The minister's reply is argumentative.

Mrs. MacInnis: I should like to ask the minister whether representations from the Electric Reduction Company, the sole source of phosphate detergents made in Canada, are holding up the immediate banning of phosphate detergents?

Mr. Greene: No, the only hold-up is that there is no immediate substitute which will be ready tomorrow morning. Surely, we have to give the industry some time to prepare something else.

Mr. Knowles (Winnipeg North Centre): Why not use pure soap?

Mr. Speaker: Order, please.

NATIONAL DEFENCE

DEFERMENT OF SERVICE PENSIONS UNTIL AGE 65

Hon. Marcel Lambert (Edmonton West): My question is directed to the Minister of National Defence. Last week I asked him whether any consideration had been given to the deferral of the entry into force of the service pensions scheme to apply at the age of 65. He indicated he would look into the matter, particularly as to whether memoranda have been circulated between his department and other departments, notably the Department of National Revenue.

Hon. Léo Cadieux (Minister of National Defence): Mr. Speaker, changes are planned in the Canadian Forces Superannuation Act, as was announced by the President of the Treasury Board in December. As indicated obviously, this concerned only retired personnel. Being more precise now, this would anticipate legislation which is due to be presented to the House in a few days.

Mr. Lambert (Edmonton West): The minister, by his statement, has compounded the unrest that exists in the forces at the present time. Would he indicate whether the pension scheme would only apply to personnel at age 65 at present and in the future?

Mr. Cadieux (Labelle): In that respect, Mr. Speaker, the answer is an unequivocal no. We have already some provision, I believe in one category, whereby a member has an option to elect to have his pension at 60 but not at 65. We are talking about the retired members who are going to have their pensions improved by legislation in this House.

SAINT JOHN, N.B.—LACK OF INFANTRY IN MILITIA

Mr. Thomas M. Bell (Saint John-Lancaster): Mr. Speaker, I wish to direct a supplementary question to the minister with respect to the Canadian Forces Militia. Has the minister received representations from the Militia Advisory Committee in New Brunswick with respect to a lack of infantry presence in the militia, in fighting Saint John, for the first time in their history? If so, what was his reply and, if not, I will bring the question up at ten o'clock tonight?

Hon. Léo Cadieux (Minister of National Defence): Mr. Speaker, I do not know whether there was a lack of militia but I do know we were commended for the effort the government forces made in this particular situation. I will check through my correspondence to see whether some representations were made.

FISHERIES

HADDOCK—AGREEMENT ON ICNAF QUOTA PROGRAM

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I wish to direct a question to the Minister of Fisheries and Forestry. It is a question I posed on two occasions to his Parliamentary Secretary. Would the minister indicate whether international agreement has been reached among all the nations traditionally fishing the east coast areas for haddock to implement a system of sustained yield quotas in their yearly catches?

Hon. Jack Davis (Minister of Fisheries and Forestry): The simple answer is yes, Mr. Speaker.

Mr. Crouse: Have all the countries, including East Germany, agreed to this restriction?

Mr. Davis: The answer again is yes.

AIR CANADA

SERVING OF NEW ZEALAND BUTTER ON FLIGHTS

Mr. H. W. Danforth (Kent-Essex): Mr. Speaker, I would like to direct my question to the Minister of Transport. He will be relieved to know it deals with a different type of oil than that with which he has been plagued recently. It is based on some complaints that I have received, and that I am sure he has received as well. Will he investigate and report to the House why, in view of the determined governmental efforts to curb Canadian surplus butter production, it is found necessary to serve New Zealand butter on some Air Canada flights?

Mr. Speaker: Order, please. I would think the question as asked is not in order, and I am sure the hon. member will realize that. He is making a representation and I am sure it will be looked into by the minister.

GRAIN

ACTION TO IMPLEMENT DONATION OF WHEAT BY FARMERS TO FEED MÉTIS

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, I wish to direct a question to the Minister without Portfolio in charge of the Wheat Board. In view of the fact that Saskatchewan farmers are reported to be voluntarily grinding wheat into flour by very primitive methods for the Métis in northern Saskatchewan, is the minister prepared to ask the Wheat Board to make the necessary provisions so that farmers can mill wheat into flour through ordinary channels to aid these families who are in need of food?

Hon. Otto E. Lang (Minister without Portfolio): Mr. Speaker, I indicated previously that we would of course be willing to look at the regulations if that were the only means available. The means being used, of course as far as the federal law is concerned, are in fact innocent means. I am sure that the hon. member is aware of the conflict between his suggestion and differential pricing such as the two-price system for wheat. It may be doubtful if a two-price system can work if such exceptions are made.

TRANSPORT

CHARLOTTETOWN—PROPOSED TRANSFER OF CERTAIN MARINE AGENCY FUNCTIONS AND PERSONNEL

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I wish to direct a question to the Minister of Transport of which I have given him notice and which is prompted by the anxiety among my constituents regarding the contemplated transfer of the functions and personnel of part of the marine agency in Charlottetown to another agency. Can he assure the people of Charlottetown and his own fine employees that no such retrograde step is contemplated?

Mr. Speaker: Order. I would think the question should be placed on the Order Paper.

AIR CANADA

SERVICE TO SYDNEY, N.S.

Mr. Donald MacInnis (Cape Breton-East Richmond): Mr. Speaker, I have a question also for the Minister of Transport. Can the minister indicate whether there are any changes contemplated in the air traffic through Sydney in respect of Air Canada and EPA?

Hon. Donald C. Jamieson (Minister of Transport): No, Mr. Speaker.

Mr. MacInnis: As a supplementary question, I wonder if the minister would make the fact that there are no changes contemplated known to Air Canada employees in the Maritimes so that they can be fully aware of this situation?

Mr. Jamieson: Of course, Mr. Speaker, any decisions have to be made in the first instance by Air Canada, but I am advised by them that they are not contemplating any major changes in their route structure. I will ask them if they will make this public.

ISSUING OF DIRECTIVE TO FLIGHT CREWS RESPECTING HIJACKING

Mr. P. V. Noble (Grey-Simcoe): Mr. Speaker, I wish to direct a question to the Minister of Transport. Could the Minister of Transport tell the House whether a directive has been issued to Air Canada flight crews in respect of the highjacking emergency, while the government is negotiating for international co-operation in working out arrangements on the matter?

Hon. Donald C. Jamieson (Minister of Transport): I do not know of any such directive, Mr. Speaker, but I will make inquiries.

Inquiries of the Ministry

NATIONAL DEFENCE

VOLUNTARY RESIGNATION OF ARMED FORCES PERSONNEL WITHOUT PENALTY

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, I would like to direct a question to the Minister of National Defence, and I am certain he is most anxious to reply as I gave him notice of the question last Friday. Will the minister inform the House whether a decision has been reached, or is being considered, on a change in the regulations with respect to allowing members of the Armed Forces to resign voluntarily without penalties? If so, will a statement be made under motions or through the medium of a press release?

Hon. Léo Cadieux (Minister of National Defence): Mr. Speaker, the simple answer is that we have not studied any changes in the regulations in that respect.

POLLUTION

AIR—REQUEST FOR STATEMENT

Mr. P. B. Rynard (Simcoe North): Mr. Speaker, I would like to address a question to the Minister of Energy, Mines and Resources. In view of the great seriousness of air pollution, as indicated by a Toronto doctor who says that over 50 per cent of the diseases suffered by people are directly traceable to air pollution, and that we have only two years to do something about it, would the minister make a statement under motions on air pollution so that the people of Canada will have some assurance that measures are being taken to meet this very serious problem?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): I shall be very glad to consider that, Mr. Speaker.

MANPOWER

PROGRAM TO ASSIST FARMERS

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, I have a question for the Minister of Manpower and Immigration. Now that the Minister without Portfolio (Mr. Lang) has announced a two-year holiday without pay for farmers, has his department planned a crash program for these people who will necessarily come on the labour market, or are they to get a sabbatical from his department also?

Hon. A. J. MacEachen (Minister of Manpower and Immigration): Mr. Speaker, I would like to take that question as notice.

[Mr. Jamieson.]

BUSINESS OF THE HOUSE

LEGISLATION RESPECTING NATIONAL ANTHEM

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, I would like to ask the Minister of Transport a few questions but may I direct a question to the Government House Leader. Further to the questions I asked him some weeks ago, can he indicate to the House when we might anticipate legislation dealing with the royal and national anthems?

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, I should indicate that we have had no additional information since I spoke to the hon. member last, which indicates that we will not be in a position to deal with this question during the current session.

[*Later:*]

Mr. Forrestall: Mr. Speaker, I wish to direct a supplementary question to the government house leader. Because of the interest in this legislation, could the house leader indicate to the House first of all who is dealing with this matter, whether or not it is the government or an individual, and whether or not there are direct representations being made to the Harris and Weir families in connection with the rights to the lyrics?

Mr. Macdonald (Rosedale): Mr. Speaker, discussions are being carried on at several levels including I understand, by a representative of the government with the representatives of the families.

ANNOUNCEMENT OF ITEMS FOR WEDNESDAY, FEBRUARY 25

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, while I am on my feet may I mention the business for tomorrow. The first item will be No. 17 on the Order Paper, Bill C-133, to be followed by No. 18 on the Order Paper, Bill C-134, and the third item will be No. 56 on the Order Paper, Bill C-175.

POLLUTION

AMOUNT OF OIL NEEDED BY "MANHATTAN" TO TRAVERSE NORTHWEST PASSAGE

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I wish to put a brief question to the Minister of Transport. Last week I aked him a question concerning the amount of fuel oil needed to take the tanker *Manhattan* through the

Northwest Passage, and the minister indicated he would get his slide rule working over the weekend. Can he tell us how well it worked, and how much fuel oil will be required?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, this is one of the questions we have asked because there is a difference between the amount of fuel oil the vessel can carry and the amount it will use in making such a trip. We have asked how long the ship is likely to take on the voyage and how much oil it is likely to carry, and as soon as I have received the information I will pass it on to my hon. friend.

NATIONAL DEFENCE

CONDITION OF FALL-OUT SHELTERS

Mr. S. Perry Ryan (Spadina): Mr. Speaker, I wish to direct a question to the Minister of National Defence. In view of the extension of the Safeguard ABM system south of the border by the Americans and the threat of nuclear explosions overhead as a result, with a great likelihood of millions of Canadians being blinded by glare or affected by radiation, why are the fall-out shelters in Toronto neither properly prepared nor marked? I believe the same is true all across Canada.

Mr. Speaker: Order, please. The hon. member's question is asked in the form of a representation to the minister. I think he has to assume it will be taken into consideration.

Mr. Ryan: Ten o'clock.

CANADIAN BROADCASTING CORPORATION

ELIMINATION OF STATIONS IN REMOTE AREAS

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, my question is for the Parliamentary Secretary to the Secretary of State or for the Acting Secretary of State. Can the hon. gentleman indicate whether there are plans by the department to eliminate a number of CBC radio and television stations in Canada in some of the remote areas, and whether these plans will be finalized tomorrow?

Mr. Speaker: Order, please. I think this is the type of question which could be placed on the Order Paper.

Mr. Lundrigan: Mr. Speaker, may I rephrase the question and ask if the Parliamentary Secretary will give an assurance that the plans afoot to eliminate a number of the CBC stations in the province of Newfoundland and Labrador will be set aside?

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, I shall bring these representations to the attention of my colleague, the Secretary of State.

GRAIN

WHEAT—CONSULTATION WITH SASKATCHEWAN PREMIER ON BARTER PROPOSAL

Mr. John L. Skoberg (Moose Jaw): Mr. Speaker, I have a question for the Minister without Portfolio in charge of the Wheat Board. In view of the assertion by the Premier of Saskatchewan that his government is not receiving complete co-operation from the federal government and the Canadian Wheat Board, has the minister or the Wheat Board consulted with the Premier of Saskatchewan regarding his proposal to barter at least 25 million bushels of wheat this year?

Hon. Otto E. Lang (Minister without Portfolio): Yes, Mr. Speaker. We have made it perfectly clear to the Premier of Saskatchewan why the transactions he is talking about are not wise and not in the interests of the Canadian farmers.

Mr. Skoberg: A supplementary question, Mr. Speaker. Have the Canadian Wheat Board and the Department of Industry, Trade and Commerce overlooked sales opportunities that would be indicated by the Saskatchewan premier's statement?

Mr. Lang: No, Mr. Speaker.

Mr. Speaker: Orders of the day. Order, please. I believe the hon. member for Cape Breton-East Richmond is rising on a question of privilege.

Mr. MacInnis: Mr. Speaker, I rise on a question of privilege which involves the roster system introduced in this House some time ago by the Prime Minister. In effect, the predetermined absence from the House of ministers could easily be considered a violation of the rights of members to all the necessary facilites for asking questions in this House. In other words, if there is an emergency which any member wishes to clear up, the predetermined absence through the roster system of any minister could very easily mean that the whole picture would change while a member is trying to get the situation clarified or stop an event from taking place.

Therefore, I would ask for a ruling in respect of the roster system and the predetermined absence of ministers. I call attention to the fact that when the House proceeded with the business today, 19 cabinet ministers were not available for questioning.

GOVERNMENT ORDERS

NATIONAL PARKS ACT

AMENDMENTS RESPECTING DEFINITION, ACQUISITION, ADMINISTRATION, ETC.

The House resumed from Tuesday, February 17, consideration of the motion of Mr. Chrétien that Bill C-152, to amend the National Parks Act, be read the second time and referred to the Standing Committee on Indian Affairs and Northern Development.

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

[*Translation*]

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I am very happy to note that the Minister of Indian Affairs and Northern Development (Mr. Chrétien) does favour us today with his presence, this for the first time since we have been considering the bill which he sponsored. I hope that he will remain with us this afternoon to listen to the representations which are going to be made about the bill.

[*English*]

Now, Mr. Speaker, on the last two days on which this bill was discussed, the minister was not present in this House and his Parliamentary Secretary carried responsibility for the bill. There is no doubt the minister was warned that he would be criticized with regard to this bill. He was in the building at the time; he was not absent from Ottawa. I think because of the very nature of the problem and because it involves—

Mr. Honey: A question of privilege, Mr. Speaker—

Mr. Speaker: Order, please. Would the hon. member kindly resume his seat. I understand the Parliamentary Secretary is rising on a question of privilege. He has the floor.

Mr. Honey: Thank you, Mr. Speaker. The hon. member who is speaking knows, if he was here when this matter was last debated or if he read the proceedings in *Hansard,* that I am charged with the conduct of this bill by the minister and by the government. That was explained to the right hon. gentleman who used to lead the members of his party, during the debate last week. I think you know, Mr. Speaker, that this responsibility has been entrusted to me by the minister and by the government.

[Mr. MacInnis.]

Some hon. Members: Hear, hear.

Mr. Lambert (Edmonton West): The Parliamentary Secretary may protest all he wants, but that does not deter me one iota from indicating that, notwithstanding the fact the minister may have entrusted him with the piloting of the bill—I make no reflection on the ability of the Parliamentary Secretary to pilot the bill through—the presence of the minister was required for this particular bill. Nothing the hon. member can say will turn me from that particular point nor will it deter any particular person affected by this bill that is, residents of the province of Alberta. The hon. member who is the Parliamentary Secretary may sit in his comfortable pew here in central Canada not knowing the first blessed thing about the problems of the national parks, and he can insist until Doomsday on his right to pilot the bill through. He can do that but it still does not alter the fact, Mr. Speaker, that the minister was not here.

• (4:00 p.m.)

Personally I think the minister is an extremely amiable and friendly person—able too, and I am not trying to be patronizing when I say that. But he inherited a situation with regard to national parks, particularly the three residential parks in the province of Alberta, that has left him with a traumatic job. That is the simple fact right there; he inherited one bloody mess.

Mr. Greene: Strong talk.

Mr. Lambert (Edmonton West): It was and if the Minister of Energy, Mines and Resources (Mr. Greene) had been in any way involved in this he would be suffering from shell shock, too, had he carried out the policies of the administration with which he was connected. The hon. member for Saint-Maurice (Mr. Chrétien) has inherited some of the problems initiated by his colleague the former minister, now the Minister of Public Works (Mr. Laing), and some of his officials who, frankly, have been a disaster to this country and to the national parks in particular.

Some hon. Members: Hear, hear.

Mr. Lambert (Edmonton West): They have been out of touch with the situation, Mr. Speaker. They believe that running a national park is something like running Pelee National Park in Ontario, and the future park in the province of Quebec, just a few square miles of very attractive scenery where people may drive in and say "Ooo-h and Aaa-h" during the course of an afternoon, and leave. That is a national park in their estimation.

I should like to point out most forcibly to private members on the government side that I was a member of a committee a few years ago that went out to Banff and Jasper to look into the leasing situation. Frankly, I was appalled at the abysmal ignorance of the hon. members from the government party with regard to national parks. This was something that had to be experienced to be understood. Out they trotted to Banff and Jasper—they have never heard of Elk Island. They saw the buffalo and were duly impressed, then came back and solemnly approved a policy of the government with regard to leaseholds. Not one serious brief or one serious representation was presented to the committee that approved the policy. Many constructive suggestions were made with regard to zoning in the parks and the lead in this was taken by the chamber of commerce of the city of Calgary which came up with an eminently sound suggestion.

There were other bodies that felt similarly. We had representations from some bodies, and I will not name them, which figured that a national park of the size of Banff or Jasper should have erected around it a ten foot fence, with here and there a gate and with a 20 foot padlock, the key of which shall be taken and buried and lost forever. According to these people, the only creatures who may benefit from our great national parks shall be the bears, the goats, the moose, the elk and other fauna. But those bodies fail to recognize, and this is the point which must be hammered home to hon. members, that the two transcontinental communications systems, which are as important to western Canada as any means of transportation is to eastern Canada, go through the national parks. Banff and Jasper were built astride the ways of communications. Banff, in fact, was built up at about the same time the CPR went through. Jasper National Park was designated before the Grand Trunk Pacific or the Canadian Northern went through, that is true; but there they are and no amount of bureaucratic nonsense will erase these national parks being astride these two main ways of communication.

Not only must we remember that but also that the Government of Canada, immediately after the war when the Trans-Canada Highway system was set up, accepted the proposal of the provinces of British Columbia and Alberta to build a Trans-Canada Highway through Banff National Park and some of the adjoining parks to the west. How on earth are you to eliminate those communications systems? Will you do it simply by erasing those highways and by erasing the railroads which go through there? You are not going to erase the passes, because these are the only means of getting through the mountains. Yet we hear such nonsense from people down here, and not only from those in government. I have seen it in editorials in metropolitan dailies. The people who have written the editorials would not know a national park if they saw one and have no idea of the rights of the people involved.

Banff National Park occupies an area of 2,564 square miles; Jasper, 4,200 square miles and Waterton, within Canada, now occupies some 195 square miles according to the bill descriptions. The last park has been cut back. The three parks occupy a total of 7,000 square miles. I invite hon. members to look at a map of Alberta and British Columbia and note the location of these parks on the eastern slope of the Rockies. The northern boundary of Jasper is to the north of Edmonton, and the parks go all the way down to the United States border. Then, they tell us, "Oh, but you people in Alberta have no right to any special privileges in those parks." And pray why not, when the greatest proportion of the population of the province resides in an area immediately east and adjacent to those national parks? Are we to have our best ski and other areas in the mountains set aside beyond us, and our best scenery? Let us remember these parks go to the provincial boundaries.

I have heard it suggested in eastern Canada that, "Your provincial government should set aside provincial parks for you to carry on your skiing." What? Should we do this with all the finest slopes, all the good areas and the scenery in the national parks? Such assertions are only a measure of some people's abysmal ignorance of the situation. I will admit that the province has permitted the establishment of a number of small provincial parks; but that is in addition to the 7,000 square miles of national parkland. And remember, Mr. Speaker, that the 7,000 square miles of national park in the province of

Alberta is greater by far than the total area of all remaining national parks in Canada with the exception of Wood Buffalo National Park which, by itself, is more than double the combined areas of Banff, Jasper and Waterton National Parks.

We are told in Alberta that we should be thankful we live next to the national parks, but we must not use them as recreational areas; oh, no. "Let the peasants be content with being next to the castle of the lord." That seems to be the attitude of some people who advocate the severely restricted use of the parks. In this day and age there is a requirement for the adequate development of those parks but that, as I have said before, does not mean that I support or in any way advocate making Banff or Jasper into so-called Coney Islands—not at all.

The parks contain enormous areas and, as a matter of fact, most of the people who advocate the total conservation of the parks have never been to them and do not even know the wilderness areas of those parks. Nevertheless, there are areas in which there must be development such as the townsites. People were living in the national parks long before any of the officials came there to work for the responsible department. Now, we are getting, step by step, bureaucratic action which is designed to cut back the rights of these people, rights that were obtained by agreement with the Government of Canada. There was a bona fide agreement on the part of both sides, Mr. Speaker. But now, because there are people in government who feel that other philosophies ought to prevail, the rights of these individuals are to be brusquely set aside.

It may be said that there was a change of policy with regard to leases back in 1960. Perhaps I ought to say that this was a bureaucratically inspired move. But further I want to say this: although from 1960 onward it was indicated clearly, as it was, that future leases and new leases would be entered into on certain conditions, that is no ground whatsoever for asserting and using improper pressures, and there are all sorts of examples of improper pressures being used upon holders of other types of leases, to make those persons surrender their rights under their original leases in order to obtain permits or renewals.

• (4:10 p.m.)

I have had all sorts of people write to me. Holders of commercial leases or owners of motels who wished to make improvements—yes, to make improvements—have written to me. They have told me these improvements were needed to meet the demands of increased traffic, to upgrade facilities as requested by the park authorities. But in order to do this a permit was required, because one almost requires a permit to go to the bathroom in the park; that is how closely monitored are the lives of the residents of Banff and Jasper. In order to bring about these improvements a development permit is required. And a development permit is not issued, under the new terms, unless there is a surrender of the original lease. In other words, an economic blackjack has been used on some of the leaseholders in the parks. That is reprehensible. Those people had an interest in businesses which they had been conducting for years. The park authorities had an interest in seeing that they should continue. And we, as citizens, had an interest in seeing that the parks lived up to their reputations.

The other day a resident of Jasper said there was not one park official who was aware of the conditions under which residents lived in those parks. This man was not there to make a living out of a commercial enterprise. He was there for a different, though essential purpose. He said none of those park officials had been obliged to spend a summer there and answer the door two or three times every night to people asking whether accommodation was available, or whether they could park trailers and cars in the yard. These are the conditions under which residents of the parks live.

In Jasper they have a very small, ancient hospital. A multi-million dollar ski development has taken place at *Marmot Basin* and is to be enlarged. The Yellowhead Highway is going through. But do you think any encouragement is given to the sisters who operate this hospital? Are they encouraged to upgrade it? A new hospital is required. Pilate-like, the park authorities stand aside and say this is the responsibility of the Province of Alberta. But when it comes to other things, the Province of Alberta has no authority within the townsite of Jasper. They cannot erect a senior citizen's home because there is no local authority. In fact, I suppose one could not build a hospital, now, because there is no local authority. We are dealing, here, with people. No man in Ottawa is able to wipe out or blot out or put aside any resident of the park or of the park townsite. Yet, in effect, these citizens find themselves under a sort of

restriction which affects their lives and their development. Oh, there is a town manager. He conducts a sub-post office as far as the department is concerned. He has no authority over anything.

This situation in the parks is a very serious one. We are told it may come to the point at which people will be rationed in Jasper and Banff—that some form of advance reservation will be necessary. In other words, some bureaucrat will decide that X thousand people a week will be the total number who may enter a national park. Will they put up a gate with a counter on the Trans-Canada Highway? Will they put up a gate with a counter on the CPR line? Who is going to play God? Who, pray, will be the God who decides that sufficient people have entered a park during a particular week? More bureaucratic nonsense. I don't know. It seems to me other government departments can carry out and devise sensible policies but for some reason or another, this one cannot. It must be some spirit or some other thing which has caused what I believe would be otherwise reasonable, pleasant and educated men to lose all sense of proportion with regard to these three parks.

These three parks are not like the others in this country. I can understand that in the new park in Nova Scotia, or the park in Newfoundland a different approach might be necessary. The beach parks in Prince Edward Island are somewhat different, as is Wood Buffalo National Park. The non-residential parks, the small ones in British Columbia would be different. But these three parks in Alberta are a breed apart from the others. Yet we have before us today a form of legislation, which is typical, to deal with all of them in the same fashion. I call it a measure to set up a bureaucratic insulation board, another layer putting the people further away from the point of ultimate decision.

One has only to study the bill to see this. For example, section 5A(1) says:

> The minister may entrust the direction of the administration, management and control of property within a park to the corporation or may enter into agreements with a corporation on terms and conditions that he considers reasonable—

I interject. It is the minister who will consider them reasonable or otherwise.

> —on terms and conditions that he considers reasonable for the direction of the administration, management and control of property within a park and described in the agreements.

It is the same in section 5A(4).

> The corporation may, at any time by agreement, and shall, upon receipt of a written direction by the Governor-in-Council, return to the minister the direction of the administration, management and control of any property ... which was entrusted to it—

For the term "Governor-in-Council" one can read the word "minister". In other words, this is a stooge body.

Then, we come to clause 18(1) on page seven.

> The corporation shall comply with any direction from time to time given to it in writing by the Governor-in-Council or the minister respecting the carrying out of its objects or the exercise of its powers.

What sort of body is this to call a Crown corporation? In other words, it can take direction at all times; it will do everything the minister tells it to do. The minister will stipulate the conditions of the agreements. Why does the minister not face up to the situation in the parks instead of setting a corporation between him and the people? This will be another element of frustration for the townspeople in the parks.

• (4:20 p.m.)

Not only the people of Alberta but other people using the parks will be frustrated. After all, these three parks attract more people than all the others. They are the stars in the diadem of national parks? The government tourist bureau advertises in *Reader's Digest* and *Time* magazine: "Come to Banff", "Come to Jasper". This is expensive, highly coloured and beautiful advertising. Yet the parks are being handled in this way.

We do not know who will be on the board of directors of this corporation. I suppose officials of the department will be members; others may be outsiders, but God knows who. No indication is given who they will be, whether they will have any real knowledge of the parks are not. Whether there will be an element of patronage in this regard I know not, but since all of the directors will be under the direction of the minister what is new? The parks are presently under the direction of the minister. Local parks superintendents have their hands tied. Most of them exercise no more discretion than the mere mailing of a letter; perhaps some of them have a few local duties.

Why does this bill not transfer to the corporation all of the lands in the national parks system? No mention is made of the Wood Buffalo National Park. I should like to know whether we are going to have a continuation of the bureaucratic machine that has existed in Ottawa in the past, along with a parallel

development in the corporation. The bill empowers the withdrawal of land or the inclusion of lands subject to the administration of the corporation.

I am not going into the history of recent frustrations and difficulties regarding leases and increases in rent, valuations I have seen which, frankly, were meaningless. This land was never priced at $40,000 or $60,000 per lot, which is the only way you can interpret the 6 per cent of the valuation and the annual rent that is demanded.

The parks administration have contributed not one cent to improvements. Somewhere along the line I received a letter from the minister explaining the rationale of the rental policy, and rents are not to be taken into account. I do not know who wrote this letter for the minister, but whoever it was did not have any idea of the rents for residential lots or properties in Jasper which were being demanded at the time.

One of the worst situations that could develop was when plebiscites were recently held both in Jasper and Banff. They were meaningless from the legal point of view, but what a vote of non-confidence they represented. These plebiscites were an attempt to find some way out of the parks system on the part of the townsite. There was a heavy turnout and the verdict was clearly against the administration. Cannot they read the signs? Are they blind to events? As I say, this corporation is given tremendous power. Notwithstanding the action that is now before the Supreme Court and the verdict thereon, I am wondering what will be the effect on the transference of leases, assignments of interest, powers of expropriation, and that sort of thing.

I am not able to determine from the bill whether the description of the parks of Banff and Jasper has in any way modified the boundaries. Since nothing is said about changing boundaries, in good faith I will assume that the boundaries have not been changed. There is an indication that the boundaries of Waterton National Park are to be changed and the park reduced in area. As I say, I am surprised that nothing is said in the bill about Wood Buffalo National Park. Why is it that this huge area of land both in the province of Alberta and in the Northwest Territories is not to be taken over by the corporation?

I have spoken at this length because I think that this bill is not going to accomplish any worth-while purpose with regard to leaseholders in the park, be they commercial or residential. Therefore, I would move, seconded by the hon. member for Red Deer (Mr. Thompson):

That all the words after the word "that" be struck out and the following substituted therefor: "this House holding the opinion that the bill is repugnant in principle to the members of this House as well as to the residents of Canada, including those of the townsites of Banff and Jasper National Parks, the persons most nearly affected by the bill's purpose and intent, and that therefore the government should reconsider the principle of the bill, this bill be read a second time on a day six months hereafter."

Mr. Deputy Speaker: Order. I should like to make one or two points, but basically I should like to take the amendment under advisement and discuss it with Mr. Speaker. I am a little troubled by its form. The hon. member for Red Deer (Mr. Thompson) has already spoken, and therefore I do not think it is proper that he should second the motion. Perhaps with the consent of the mover I might add the hon. member for Hillsborough (Mr. Macquarrie) as seconder.

Mr. Lambert (Edmonton West): On a point of order, Mr. Speaker, it was my understanding that the hon. member for Red Deer had likely spoken to an amendment that was previously before the House. I quite appreciate that if he has spoken on the main motion he is not in a position to second my amendment, and if that is the case I would agree to the hon. member for Hillsborough seconding it.

Since Your Honour has raised a point of order, may I say that my amendment is a reasoned amendment. It is, in effect, a six months' hoist, and this is permissible. I do not think that the preamble to the amendment will in any way affect its validity, or the main purpose of the amendment, namely that the bill be read six months from this date.

• (4:30 p.m.)

Mr. Deputy Speaker: I will certainly hear arguments on that point, but I must say at first blush I do have some misgivings about the preamble. Before making a ruling I will certainly hear arguments and discuss it with Mr. Speaker.

Mr. Honey: On a question of privilege, Mr. Speaker. Before Your Honour discusses the proposed motion with Mr. Speaker, I wonder whether you might hear argument on this point which you might convey to Mr. Speaker? Would that be in order?

Mr. Deputy Speaker: I suggest that possibly what I might do is discuss it with Mr. Speaker, and at that point we will certainly hear arguments on the procedural question.

Mr. P. M. Mahoney (Calgary South): Mr. Speaker, my participation in this debate must be akin to the pleasure experienced by a physician who has successfully diagnosed a cancer. Unlike the right hon. member for Prince Albert (Mr. Diefenbaker), I do not substantially restrict my participation in debate to matters I feel affect the prerogatives of this institution. However, that is fundamentally the reason I am going to speak today.

What I am going to speak of are not imagined slurs or fantastic infringements on the prerogatives of Parliament. Rather, I am going to talk about a gross dereliction of its responsibilities, an almost total abandonment of its functions, by a group whose effective performance is essentially to the operation of Parliament, the official opposition.

The historians or political scientists who, a few decades from now, peruse the *Hansards* of February 4, February 10, February 17, 1970 and today, may very well count themselves fortunate to have discovered in the debate on second reading of this Bill C-152 a capsule example of how a once great Canadian institution, the Progressive Conservative national caucus, loused things up again and thereby hastened its own demise as a meaningful entity in the political life of this nation.

I want to be fair and give credit where credit is due. Some of the hon. members of the official opposition from Alberta who have participated in this debate, specifically those from Pembina (Mr. Bigg), Red Deer (Mr. Thompson), and Crowfoot (Mr. Horner), and I should mention the hon. member for Edmonton West (Mr. Lambert), have displayed an understanding for our principal national parks and an understanding of the very real problems of the people living in them. I would be hard pressed to disagree with most of the arguments advanced by those hon. members regarding the treatment of residents of Jasper and Banff Parks, although I might be constrained to dispute that the Waterton situation is comparable because the number of permanent residents at Waterton is simply too few to sustain viable municipal institutions.

Equally, I would be hard pressed to dispute the validity of the arguments advanced by my colleague, the hon. member for Rocky Mountain (Mr. Sulatycky). His energy and enthusiasm and, I might say, his evident disregard for the sensibilities of occupants of the treasury benches, when it comes to fighting for what he thinks right for his constituents, can be taken by the residents of those parks as a sure sign that a greater measure of justice will be achieved for them in the near future.

The hon. member for Edmonton West observed that when the committee visited the parks there were no government members knowledgeable in respect of the parks on that committee. That is an omission that the voters of Alberta have since rectified, and most particularly the voters of the Rocky Mountain constituency within which the particular parks lie.

Mr. Nesbitt: By 30 per cent.

Mr. Mahoney: I will come to that later.

It is often said that Canada's acceptance by the developing world is due largely to the fact that we have never been a colonial nation and that we have no colonial pretensions, if for no other reason than that we have not the might to entertain colonial pretensions. To say that we have never been a colonial nation is not to say we have no colonial past—we do. But we were on the receiving end of colonialism and it is a concept as repugnant to most Canadians as it is to most Africans and Asians. It is a concept that is particularly repugnant to those Canadians—relatively a mere handful perhaps, but nevertheless each one is entitled to the full rights of Canadian citizenship as you and I—who still experience it. It is a concept also particularly repugnant to those Canadians—and these are more than a relative handful—whose experience brings them into more or less regular contact with the colonials.

Banff and Jasper, communities of some 3,500 and 2,800 respectively, are essentially being run as colonies, with vital decisions regarding the elementary aspects of the most primitive municipal government being made in Ottawa, or sometimes in the regional office of the Department of Northern Development in Calgary by officials appointed by Ottawa, or sometimes even by officials of the same department on the site, but appointed in Ottawa. Wherever made, the one thing certain is that the residents have no assurance that their legitimate aspirations and interests have been taken into account. Without that assurance there is an unfortunate but, I think, natural tendency to assume that they have not been taken into account and that the

communities are being manipulated entirely by and for the appointed administrators and the ideas they see best applying to them.

The impression has evidently been widely held that these communities are largely populated by vultures preying on the innocent tourist, whose park residence has constituted if not a licence to steal, then at least a licence to coin money. The government and the administrators have known that this has not been true. The information advanced during this debate by the hon. members for Rocky Mountain and Red Deer refutes that impression utterly. I will not repeat it, but I hope that it will be remembered by every member of this House as he considers this and future parks legislation.

It may be suggested that the rights of these people are adequately protected by this chamber and that the valiant efforts of the hon. member for Rocky Mountain will suffice. I should like to read into the record a brief extract from the Durham report. I will read from page 287 of Volume II of the 1912 Oxford edition, edited by Sir C. P. Lucas. This is from the text of the report and he was speaking here of the provinces of Canada from 1837 to 1839. The report reads:

> The establishment of a good system of municipal institutions throughout these Provinces is a matter of vital importance. A general legislature, which manages the private business of every parish, in addition to the common business of the country, wields a power which no single body, however popular in its constitution, ought to have; a power which must be destructive of any constitutional balance.

A little later on he says:

> The establishment of municipal institutions for the whole country should be made a part of every colonial constitution; and the prerogative of the Crown should be constantly interposed to check any enroachment on the functions of the local bodies, until the people should become alive, as most assuredly they almost immediately would be, to the necessity of protecting their local privileges.

I suggest it is high time that the residents of these park towns were given the same rights of municipal government the rest of us enjoy.

Regrettably, with the handful of exceptions I have already mentioned, members of the official opposition participating in this debate have chosen to ignore the central issue and to misrepresent the effect of the main provisions of the legislation. They have emphasized an irrelevant matter in an effort to create a phony issue. Again, there are a couple of other exceptions. Their contributions consisted of innocuous little homilies for home consumption and they neglected to face up to the substance of the bill.

I followed the debate on this bill with considerable interest and some dismay at some of the gross irrelevancies that have marred it from the time the second member spoke. The hon. member for Oxford (Mr. Nesbitt), leading for the official opposition in his capacity as its shadow minister of Indian affairs and northern development, chose to give little attention to the substance of the bill, but rather devoted the bulk of his wit, wisdom and talent to a totally unsuccessful attempt to create yet another non-issue out of the fact that the minister had chosen to delegate the responsibility for piloting this bill through second reading to his capable Parliamentary Secretary.

The right hon. member for Prince Albert (Mr. Diefenbaker) was inspired to participate in the debate by saying that the selection of the Parliamentary Secretary for this important task was yet another example, to quote him from page 3691 of *Hansard*, of "egregious contempt that is being shown to Parliament by the present administration". Well, "egregious" is not one of my six bit words, but obfuscation is, and that is what the hon. member for Oxford's efforts, compounded by those of the right hon. gentleman, the hon. member for Brandon-Souris (Mr. Dinsdale) and the hon. member for Edmonton West, earlier today, amounted to—obfuscation.

It is somewhat pathetic to observe the frontbenchers opposite grasp at every procedural straw in a nostalgic effort to recreate the good old days of the pipeline debate.

• (4:40 p.m.)

This is 1970 not 1956, Mr. Speaker. Without commenting on the merits of the issues that came out of the pipeline debate, the public bought them and the public is usually right. However, the public paid quite a price—six years of the worst government Canada has ever enjoyed—and the public is not about to be fooled into buying a phony non-issue, no matter how well or badly it is dramatized here.

Mr. Lambert (Edmonton West): Were you in favour of the bill?

Mr. Mahoney: Hon. members opposite and members of the press are fond of noting occasions when a backbencher here takes issue with some aspect or other of a government

measure. But, Mr. Speaker, the parliamentary system is founded on the concept of adversaries, on the concept of a government proposing and an opposition opposing in a meaningful, relevant way. When the official opposition is derelict in its duty, lowers its criticisms to obscure irrelevancies and fails utterly in its function, someone has to take up the slack.

Some hon. Members: Hear, hear.

Mr. Lambert (Edmonton West): Oh boy!

Mr. Mahoney: I admit that it is sometimes difficult to find legitimate fault with the legislation presented in this House by the government, but we on this side occasionally are able to do so. It is a sorry thing for the parliamentary system in Canada that the official opposition is not. Spokesmen for the official opposition, starting with their shadow minister, the hon. member for Oxford and working on down through a succession of lesser luminaries have succeeded with suspiciously monotonous regularity to miss the main point of the bill. They see its main purpose as this—and I shall quote the hon. member for Oxford as recorded at page 3225 of *Hansard:*

> In a nutshell, it sets up a corporation to carry out the administration and to make policy for the national parks.

It does no such thing.

Mr. Yewchuk: On a point of order, Mr. Speaker, I wonder if you would see to it that a man with a shovel comes into this chamber when this speech is over.

Mr. Mahoney: I trust the comments of the hon. member will be up to the standard of his interjection. The hon. member for Calgary North (Mr. Woolliams), whose achievements on behalf of the residents of Banff National Park are reported to be legion, added a new dimension to the debate when he noted that the hon. member for Rocky Mountain (Mr. Sulatycky)—as recorded at page 3429 of *Hansard*—had been elected with 30 per cent of the vote. That observation was neither accurate nor, so far as I can see, relevant. But when the hon. member takes the opportunity to check the records, as he invited us to do, he might then wish to talk with some of his colleagues. I would suggest he start with the hon. members for Edmonton Centre (Mr. Paproski), Dauphin (Mr. Ritchie), Hamilton West (Mr. Alexander) and Charlevoix (Mr. Asselin), to ascertain whether they would agree that such an observation is relevant for any purpose in this House.

The hon. member for Calgary North also chose to miss the main point of the bill. At page 3427 of *Hansard* he said:

> In brief, this bill would set up a Crown corporation to control and govern the national parks of Canada and would take them away from ministerial responsibility.

It does no such thing. It was the hon. member for Brandon-Souris (Mr. Dinsdale) who introduced into the debate the old adage, "Don't confuse me with facts: my mind is already made up." Regrettably, his colleagues epitomize that attitude. The hon. member for Churchill (Mr. Simpson) perpetuated the error at page 3458 of *Hansard* when he said:

> I say at the outset that I take strong exception to the government's plan to set up a Crown corporation to administer our national parks.

It does no such thing. What the bill proposes is that the corporation administer property in the parks and administer in particular leasehold real estate. This, in itself, may very well be sufficient ground for some pretty solid criticism or it may be a good idea. The committee will examine that. Let us at least stick to the facts. The bill does no such thing as the hon. members for Oxford, Calgary North and Churchill say it does. They say the purpose is to avoid accountability by the government. In asserting this allegation they choose to ignore the effect of clause 18. It is too bad the Broadcasting Act does not contain a provision such as clause 18 of this bill. Since the hon. member for Oxford does not appear to know what clause 18 says, and since he will have difficulty finding any patronage in it, I shall read it to him:

> 18 (1) The Corporation shall comply with any direction from time to time given to it in writing by the Governor in Council or the Minister respecting the carrying out of its objects or the exercise of its powers.
>
> (2) The Treasury Board may from time to time for any year establish the percentage of the gross revenues of the Corporation for that year that may be expended by the Corporation in that year for administration purposes.

It is difficult to see, with the power given by clause 18, how the Governor in Council or the minister could avoid accountability. They are to be given a power and they will be accountable not only for its use but for failure to use it. The hon. member for Edmonton West left me as confused as his colleagues. In one breath he calls the proposed corporation a stooge and in yet another refers to its tremendous powers. Is it the action of a responsible opposition to misrepresent the main

provision of the legislation? Is it the action of a responsible opposition to misrepresent what seems to be the only contentious provision of this legislation? Is it a pure coincidence that this misrepresentation as well as the distortion of what has become an accepted parliamentary practice in an effort to create a phony issue all emanated from the same general geographic area of this House? Is it coincidental that it was the spent volcanoes in the front bench opposite—as my hon. friend from Vancouver Quadra (Mr. Deachman) referred to them—who have indulged in these discreditable tactics?

Our parliamentary system needs an opposition; it needs a working opposition; it needs an effective opposition; it needs a credible opposition. Canada has a right to look to the official opposition for that. It is looking to the official opposition and it is finding it absolutely lacking. Through you, Mr. Speaker, may I appeal to the hon. leader of Her Majesty's loyal opposition. Some place over there the talent must be waiting quietly to be discovered. It is obvious it does not rest on his front benches. Parliament needs, and Canada needs, an effective opposition. He has a duty to provide it. For the sake of Parliament, and the sake of Canada, I say that he should put a muzzle on his front bench and give the boys on the back benches a chance. After today's question period one cannot be too sanguine about his chances of success, but some time between now and the next general election the country has to find out whether there is any talent left in the Conservative party.

Mr. J. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, after the last speaker's brief—I am not sure what the second adjective should be and perhaps I will omit it—remarks I must say I am happy to be following him rather than preceding him. What I am about to do I hope is what he was really urging my colleagues on the right to do, namely, provide some kind of constructive proposal.

It seems to me that one of the main purposes at least of our national parks should be to ensure for the present generation of Canadians, and the generations in the future, the possibility of experiencing in a meaningful and enjoyable way our natural resources and of experiencing them in an essentially natural setting. That would be a setting which would involve the minimal inclusion of what may or may not appropriately be called civilization.

[Mr. Mahoney.]

To a considerable extent, both at the national level and I think at the provincial level in respect of a number of our provinces, this has been achieved in respect of our summer parks. Now, in each province, Canadians have the opportunity to enjoy camping, hiking, canoeing and a number of other pleasurable activities. Before I make the suggestion I have in mind I should like to draw to the attention of the House what perhaps is self-evident and widely known already; that is, the fact that all these pleasures can be enjoyed at minimal cost to individuals and their families.

• (4:50 p.m.)

I think in a democratic society it is a point worth emphasizing that, regardless of whether one is rich or poor, our national parks are available equally to all people for their enjoyment. However, I repeat, that those are summertime activities. This is glaringly not the case when we consider the winter season. Perhaps of all athletic activities enjoyed by young and old in the winter, skiing obviously must be singled out as the most important one. But I ask you, who in this country can afford to ski?

Let us take some reasonably accurate estimates of costs for a family of four spending a day skiing in Ontario. I understand that the figures I will suggest are fairly representative of what it would cost anywhere in this country. First of all one has to pay for tows. For adults, this means $7 for mother and $7 for father. For children, in the case where there is a reduced rate, this would likely mean $3.50 each. In addition to the tow cost, the family could be expected to spend a minimum of $5 altogether for lunch. Then, for the average family going skiing there would be an expense of $5 for gasoline. The total comes to $31 for one day spent skiing. I ask you, how many Canadians in this country, above all others perhaps with few exceptions in this world in which skiing should be almost a natural right, can really afford to go skiing? I suggest that very few can afford it.

This suggestion is borne out by statistics that I read about a year ago, but unfortunately do not have available to me now. The statistics that I read at that time indicated that the average skiing individual in Ontario had an income of between $12,000 and $15,000 per year. I do not need to point out where that puts him in terms of the distribution of income in this country. It puts him at the top section of the scale.

This means that in this country thousands of people who perhaps would otherwise be skiing are not because the cost is prohibitive. My suggestion therefore is that the federal government can do something at a very reasonable cost to change this situation. It should do for the wintertime activities in our national parks what, for example, the provincial government of Ontario has done for summertime activities in its parks. It should begin to make capital investments—and I stress they would be relatively slight in amounts—necessary to instal skiing tows and to do the rudimentary kind of work that would be necessary in the appropriate terrain to make ski runs. It should then open these parks to skiers in the winter months at the most nominal charge of perhaps $2 for a family for a season. I suggest that would make this very enjoyable and very healthy outdoor activity available not only to the rich but to Canadians with average and below average incomes.

I stress that this action by the federal government would involve very little in the way of capital expenditure. At least some ministers of the government have spoken about the desirability of doing something about sports in this country, so I believe the government would be interested in this kind of action. It seems to me to be a desirable kind of sport activity because skiing is not a spectator sport but involves participation in the activity itself rather than the passive observation of others playing games of different sorts.

Therefore, I would like the minister, or his Parliamentary Secretary perhaps, to respond to my suggestion at the close of the debate and, if the government is opposed to the idea, to tell us why that is the case. I urge that the most serious consideration be given to my proposal because it is one that would involve the expenditure of small amounts of money and would provide very significant human benefits.

Mr. Macquarrie: May I call it five o'clock, Mr. Speaker?

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Deputy Speaker: It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Moose Jaw (Mr. Skoberg)—Agriculture—Investigation of removal of serial plates from imported tractors; the hon. member for Champlain (Mr. Matte)—Sports—Grant to the Quebec Amateur Hockey Association; the hon. member for Saint John-Lancaster (Mr. Bell)—National Defence—Saint John, New Brunswick—Lack of infantry in militia.

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.

PRIVATE MEMBERS' PUBLIC BILLS

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, there have been discussions and the hon. members who have sponsored the first three bills on the Order Paper have asked to allow them to stand. I believe the hon. member for Skeena (Mr. Howard) would be ready to proceed with Bill C-32, an act to amend the House of Commons Act.

Mr. Deputy Speaker: Is that agreed?

Some hon. Members: Agreed.

HOUSE OF COMMONS ACT

MEASURE TO ABOLISH RULE OF PRIVY COUNCIL OVER INTERNAL ECONOMY OF THE COMMONS

Mr. Frank Howard (Skeena) moved that Bill C-32, to amend the House of Commons Act (Internal Economy Autonomy) be read the second time and referred to the Standing Committee on Procedure and Organization.

He said: Mr. Speaker, I have been given some indication that there is a good prospect that this bill will still be under debate at six o'clock. In consequence, any hopes that I had for the generosity of the House toward private members business has just been dashed to the ground. This is a subject matter that involves the office of Speaker, and that is one subject which we should all approach with great respect and temerity because we do not want to be involved in discussions or debates in the House that raise in question the function of Mr. Speaker or the carrying out of Mr. Speaker's duties. I approach the introduction of this bill with admiration and respect for the office of the Speaker.

• (5:00 p.m.)

At the same time, within that ambit, I would point out that really Mr. Speaker is not a free agent in so far as the expenditures of moneys, the estimates of the House of Commons and its operations are concerned. In so far as being a member of the Commissioners of Internal Economy is concerned, Mr. Speaker is one member, along with four others, who happen to be by law members of the Privy Council; in other words, in practice members of the cabinet.

We are concerned here I think with a question of the sovereignty of the House, the mastery of the House over its own affairs, the degree to which the House of Commons should be able to involve itself in the preparation and development of its own activities. For some time now, we have been moving in a direction with which I agree and with which I am sure most hon. members agree. We have been moving into an era of greater activity, greater theoretical—if nothing else—force behind the activity of a private member, a greater influence, a greater arena for concern by private members.

A couple of examples of this are indicated by the development and growth of the committee system, albeit it has many shortcomings, many areas still to be developed. But nonetheless, the House of Commons has moved more into a greater use of committees, the examination by committees of a larger and larger number of subjects. I would think and hope we should move further in the direction of the effective and valuable use of the committees. And because there is a greater involvement by committees, and because it is a growing and developing thing—I hope there will be more effective and valuable use of committees—this carries with it a greater participation by private members because committees by and large are made up of private members, and in some cases added to by Parliamentary Secretaries.

We have also had a move recently whereby the parties, initially parties in opposition, have had made available to them grants out of the Treasury in aid of research activities so that those parties, as the Prime Minister (Mr. Trudeau) and others have put it, could perform their functions more effectively in Parliament. Not too many days ago, we had an announcement made by the Prime Minister that this concept of funds for research activities would be extended to include private members on the government side, again another indication of the growth of the potential effectiveness of the House of Commons and of the private members in it, as distinct from and in contrast to the authoritarianism of cabinet and of government itself.

It is true that even with all this, under our system the Prime Minister and the cabinet still control Parliament. They still, under the party system, through the caucus structure, are able to have their way when the chips are down and the crunch is on. But that is a matter for speculation at another time. At the moment, I want to deal with the developing force in the House of Commons itself for its own sovereignty and its own activities.

The House of Commons Act under section 17—and I won't bother to read it all—points out that the Clerk of the House in so far as certain activities are concerned, and the Sergeant-at-Arms so far as certain other activities are concerned, annually prepare estimates of the expenditures necessary for the various component parts of their jurisdictions. These estimates relating to salaries, moving allowances, and the messengers, door keepers, clerks, servants of the House and the like—in other words the financial matters for the operations of the House of Commons—are prepared initially by the Clerk of the House and the Sergeant-at-Arms and are submitted to the Speaker. If one just simply looked at that process one could very easily come to the conclusion that, primarily, the Speaker is in full control of things because he is the one co-ordinating the preparation of the estimates.

But section 18 of the House of Commons Act—and I think this is worth reading, Mr. Speaker—points out that in fact the Speaker, in this regard, who is the spokesman of the House and is our representative, is not in full control of the estimates which he may prepare in the light of the desirous activities of the House itself and of extensions. Section 18 reads:

> All sums of money voted by Parliament upon such estimates—

That is the estimates the Speaker prepares.

> —or payable to members of the House of Commons under the Senate and House of Commons Act, are subject to the order of the commissioners, or any three of them, of whom the Speaker shall be one.

We all understand this, but in order to set it out in *Hansard* so that anyone reading it may appreciate what is involved, we have to look at section 16 to find out who these commissioners are and what they are. Section 16 gives the prerogative or right—privilege is

perhaps a more appropriate word—to the Governor in Council to appoint:

—four members of the Queen's Privy Council for Canada who are also members of the House of Commons, who, with the Speaker of the House of Commons, shall be commissioners for the purposes of this section and sections 17 and 18.

This is the group which we generally refer to as the Commissioners of Internal Economy, and the words "internal economy" are the heading to these particular sections in the House of Commons Act. The current commissioners comprise the Solicitor General (Mr. McIlraith), the President of the Treasury Board (Mr. Drury) who, as you must admit, has a powerful influence in financial expenditures, the President of the Privy Council (Mr. Macdonald), who has a powerful influence in the political arm of the government, and the Minister of Indian Affairs and Northern Development (Mr. Chrétien). So, effectively, the Commissioners of Internal Economy, because the cabinet members outweigh Mr. Speaker on a four-to-one basis, ensure that the expenditures of the House of Commons for all of its activities are subject to control, authority, direction and interference—I do not say they are interfered with or that they are controlled—of the cabinet.

The bill before us seeks to repeal sections 16 and 18, which I have just read, of the House of Commons Act, and would then leave in statute law, if such repeal is agreed to, no statutory arrangement or provision for the selection of whoever the Commissioners of Internal Economy shall be. One may argue that this leaves a blank spot, but really the conception that I have, following that repeal, is that because this is a matter affecting the House of Commons, not affecting Parliament, we should not involve either the Senate or the assent of the Crown. It should be a matter that the House of Commons should deal with internally, through the Standing Orders. And because I did not want to follow up a companion reference in this bill to the Standing Orders—because that would involve asking the Senate to agree in theory to what the Standing Orders of this House should be—I have left it blank and subject to further development in argument.

These are things that I think should be covered in the Standing Orders of the House, because the Standing Orders are the rules of the House with respect to the House and its own activities. This matter was developed and examined some eight or ten years ago, or thereabouts, in the United Kingdom where a similar system existed. We can see that under the Standing Orders naturally, Mr. Speaker, our first member and spokesman for the House, would continue to be the prime effective member of the commissioners of internal economy and that he would be chairman. Without defining or predetermining it, the other members of the committee would be drawn from the other parties in the House.

• (5:10 p.m.)

I think there is certainly no priority of view about the value of this institution as between one member and another. We are all equally concerned about the institution of Parliament, about the operation of the House of Commons and the valuable contribution it can make to Canada and the Canadian fabric. The reasoning behind this approach is that we should take cognizance of the development in the field of research, the concern for the effect and influence of the private member and the development of the committee procedure, by removing what is an obsolete and archaic part of our statute law so that we could, under our Standing Orders, draw other than cabinet ministers into the Commission of Internal Economy. Then, Mr. Speaker, we will be able to develop a structure to meet the needs of the people today and to serve them better than is the case at the present time.

If I may I should like to read briefly from an article written by Professor J. R. Mallory, of McGill University and published in The Canadian Journal of Economics and Political Science in 1957. Though it is dated by 12 or 13 years, it is valid because of the situation of the Commission of Internal Economy. Their method of selection has not changed in that period of time. In the last paragraph, Professor Mallory says:

The Internal Economy Commission as presently constituted is a throwback to an older and very different House of Commons. It reflects a House in which an organized opposition had yet to appear, and in which the cleavages between the front bench and the private member were less marked. Party government and ministerial responsibility are the essential characteristics of the government of Canada, and they are bound to set the pattern of organization even for the internal affairs of the House of Commons itself. But the House of Commons is more than a mere framework for party government. The House, by tradition and by inclination, has an identity of its own which transcends the claims of party and of constituency in some matters. While the House will bow to ministerial direction and cabinet dominance in the government of the country, the private member finds that the domestic economy of the House is a much

more intimate matter. The Internal Economy Commission represented an attempt to dress up the constitutional responsibility of ministers for all expenditure within a framework which left the Commons, in theory at least, masters of the interior arrangements of their own chamber. With the growing "aggrandizement of the executive" there are perhaps strong reasons for broadening the composition of the commission to represent the House as a whole.

That is the substance of what I am trying to get at.

We are involved when we think in terms of the private member, Mr. Speaker. In stacking a single individual private member with whatever expertise he has available against the cabinet and the government of the country, we find that a cabinet minister has a staff of five or six people to handle the administrative and political matters of his office. He also has thousands of people in the public service who conceive it their function to support the policy enunciated by the government and the minister. This latter has become so by ministerial edict and governmental comment from time to time. We have that on the one side, supplemented now on the other by the amount of money for research purposes. I consider we would be far better able, Mr. Speaker, to move into the area by trying to arrange for each member of the House to have a financial structure available to him so that he could have a research assistant or executive assistant to help him prepare himself to counter the forces and the development of government itself.

We would be able to reach that stage of putting the private member in a better position if he were able to participate through the members of the House with you, Mr. Speaker, in the preparation of the estimates of expenditure relating to research, to staff and the other amenities necessary to enable a member to fully represent those who elected him. We should move away from the position where all of these concerns and hopes are matters in which the House of Commons should not be involved. We should move toward making the House of Commons a viable unit in our community and away from the Treasury Board which dominates in numbers, if nothing else, the Commissioners of Internal Economy.

For Parliament or the House of Commons to be free, it must be free to develop its potential to the full. It is inhibited now by the Treasury Board and the government dominating the Commissioners of Internal Economy. The Minister of Energy, Mines and Resources (Mr. Greene) quipped the other day that it was a great Canadian who took the state out of the bedroom. I think it is time we took the Treasury Board out of the Speaker's office and put the House of Commons in a position to better serve the people.

[Mr. Howard (Skeena).]

Mr. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, in the bill the hon. member for Skeena (Mr. Howard) has put to the House he suggests that we do away with the Commissioners of Internal Economy. The unfortunate thing is that he did not put forward any proposals in the bill to replace the Commissioners of Internal Economy or how the matters presently dealt with by them should be dealt with in the future.

In his remarks, he said that the reason he did not put these things in the bill was that he did not believe such matters should be regulated by statute, that they should be in Standing Orders. In concluding his remarks, he said that perhaps the Standing Orders should provide for a committee that would represent all parties and do what the Commissioners of Internal Economy now do.

I see several difficulties with this, Mr. Speaker. I do not know whether the proposals put forward by the hon. member would change very much. In his bill he did not suggest an amendment to article 17, subsection (5) of the House of Commons Act which reads:

Such several estimates of the clerk, sergeant-at-arms and Speaker shall be transmitted by the Speaker to the minister of finance for his approval, and shall be laid severally before the House of Commons with the other estimates for the year.

To begin with, Mr. Speaker, the requirement of article 17, subsection (5) remains. That is, that the Speaker would have to transmit these estimates to the Minister of Finance (Mr. Benson) for approval. It is true that he has proposed the elimination of article 18 which would take away the right of the Commissioners of Internal Economy to veto these estimates. But they still must go to the Minister of Finance. Even a more serious roadblock is section 54 of the British North America Act. The hon. member did not deal with this. The section reads?

• (5:20 p.m.)

It shall not be lawful for the House of Commons to adopt or pass any Vote, Resolution, Address, or Bill for the Appropriation of any Part of the Public Revenue, or of any Tax or Impost, to any Purpose that has not been first recommended to that House by Message of the Governor General in the Session in which such Vote, Resolution, Address, or Bill is proposed.

Of course, we know that this entails problems for private members. Private members cannot propose bills which will involve the spending of public moneys. The estimates are prepared by the government and submitted to the House, and the House examines them.

Some of the things the hon. member suggests are now being done under the new rules. Under our new rules, after the estimates of the Senate, the House of Commons and the Library of Parliament are submitted to this House with the approval of the Minister of Finance and the Commissioners of Internal Economy, they go to a parliamentary committee. I notice, according to the order passed last week, that all these estimates have been submitted to the new committee that was established during the life of this Parliament, the Committee on Procedure and Organization. These estimates, the estimates of the Speaker as they are usually called, are now referred to the Committee on Procedure and Organization to be examined in detail. The committee has the right to reduce those estimates and to eliminate some of them. I may not be on sound ground, here, but perhaps it can increase some. That committee will report back to the House. It may say that the estimates with respect to the House of Commons should be changed. Of course, the minister and the House can try to put back into those estimates what was taken out in the committee but included in the first place. The point is that the estimates of this House are now dealt with by an all-party committee and can be changed.

If the hon. member for Skeena is proposing that the estimates ought to be formulated and proposed by a parliamentary committee, then we run into the constitutional difficulty contained in section 54 of the act I referred to. I do not know how the hon. member could circumvent that. Perhaps his bill ought to suggest that that section of the BNA Act be amended, and perhaps that would be a good thing. Perhaps hon. members of this House ought to have the right to propose bills entailing the spending of the public's money. As one can see, however, if we were to adopt that principle we might be adopting something that has broad implications for our constitution. If private members either individually or together can introduce bills entailing the spending of public moneys, there must be some method of co-ordinating their proposals with those of the Treasury Board because the Minister of Finance must have some way of raising the appropriate taxes to pay for those measures private members introduce.

A proposal like that put forward by the hon. member has other important implications. Right now the Commissioners of Internal Economy deal with all expenses connected with this House, such as the salaries of Members of Parliament, the salaries of secretaries and the staff of the House of Commons, as well as with the matter of stationery supplies, our office space and so on. If we were to change the system of paying the staff of this House, the important question that arises immediately is this: should the people working for this House have the right to association and collective bargaining as all other civil servants now have?

Mr. Knowles (Winnipeg North Centre): Hear, hear. Absolutely.

Mr. Allmand: This is a most important question which must be considered. Some say that our Commissioners of Internal Economy ought to be abolished. Some say that because other civil servants have the right to association and collective bargaining, the members of our committee branch, our page boys, our *Hansard* staff and all others working here should have the same right.

I think this is something the House will have to consider more seriously and something the committee as proposed by the hon. member would have to deal with. Of course, the committee he proposes would replace the Commissioners of Internal Economy and would become probably the bargaining agent for the prospective employee associations of this House in determining salaries and all other fringe benefits relating to employment here. This is very important.

Mr. Knowles (Winnipeg North Centre): Will the hon. member permit a question? I wonder if the hon. member recalls that a few years ago a committee of this House recommended and brought in a report to the effect that the employees of Parliament Hill ought to be given the same collective bargaining rights that are accorded to other civil servants.

Mr. Lambert (Edmonton West): Thank goodness that was disregarded.

Mr. Allmand: I was not aware of that, Mr. Speaker, but I would support that report. Whether we do away with our Commissioners of Internal Economy or not, I think the employees of this House should have the same rights as other civil servants. However, I can see difficulties. The big difficulty in the proposal put forward by the hon. member for Skeena is that it would contravene part of

our constitution. Private members of this House either individually or collectively would, according to that proposal, decide on how to spend money without apparently consulting the treasury and the Minister of Finance who must raise taxes to pay for the proposal.

Another side issue that arises relates to the salaries of Members of Parliament, their expense accounts, their administrative support and the facilities they use. Here, may I say that I do not think the present system whereby salaries of Members of Parliament are specifically set out in the Senate and House of Commons Act is good. I think some method ought to be incorporated in the statute whereby salaries like these can be reviewed automatically, perhaps every time there is a new Parliament, and adjusted as other salaries are. Personally, I think the system under which I and other Members of Parliament must decide on the salaries of Members of Parliament is—

Mr. Otto: Obnoxious.

Mr. Allmand: —obnoxious.

Mr. Lambert (Edmonton West): But you still will have to do it, one way or another.

Mr. Allmand: The hon. member for Edmonton West may have other ideas. Personally, I feel the statute should be changed, or some alternative procedure ought to be included in the statute to deal with this. The hon. member for Skeena proposes that a parliamentary committee ought to deal with these things. Well, right now we have the Standing Committee on Procedure and Organization which deals with the estimates of the House and will deal in a week or so with salaries of members of the House and all those who work in this place.

I think I also ought to say this, while on the subject of salaries and expense accounts of Members of Parliament. I am personally opposed to a straight figure being allocated for an expense allowance, no matter whether it is $6,000, $4,000 or $8,000. I think that is the wrong way of doing things. We should be required to produce vouchers for expenses related to our work, and if we have actually spent the money on purposes necessary to our position we should be reimbursed up to a certain amount. But I do not think it is right that we should receive a fixed amount by way of expenses whether we have spent it or not, whether we need it or not.

• (5:30 p.m.)

I am not suggesting that the initiative taken by the hon. member for Skeena is anything but good, although I do not approve of the method he has used. I think we should exercise greater control in this House over our own affairs. Perhaps the Committee on Procedure and Organization which is to deal with the estimates of the House of Commons this year will find itself in a position to submit proposals in connection with some of these matters. Possibly the committee could report to the House on a much more comprehensive way of dealing with all these considerations—the conditions of employees of the House, expenses and salaries, administrative support for Members of Parliament, office staffs and all that kind of thing.

I do not see how we can get around section 54 of the British North America Act. Indeed, I am not sure it would be good to dispense with this particular section as long as we have a parliamentary system. But I do feel Parliament should be given a much greater say. It should be made clear, though, that the present system was established by the House of Commons and by Parliament.

The hon. member for Skeena said we were not masters of our own house because the work was being done by the Commissioners of Internal Economy. Nevertheless the time that these functions should be performed by Commissioners of Internal Economy; it was this decision which gave them certain authority under the statute. Since Parliament gave them this authority, Parliament can also withdraw it or change it. The fact that the hon. member has put forward a bill on the subject, a bill which has a chance of being adopted, is proof that we are our own masters. Nevertheless, we are subject to the constitution and to the constitutional conventions of the parliamentary system.

In conclusion, may I say that while I do not approve of the bill as presented, I do believe hon. members of the House should have more influence over the spending of money in connection with the work of the House. Now that we have a new set-up under which all estimates are referred to committees, it is possible that the Committee on Procedure and Organization which is to consider the estimates of the House of Commons will find it possible to participate in handling the economy of this House. It may be that the committee will find a way to assume a more important role vis-à-vis the Commissioners of Internal Economy and come forward with

suggestions relating to the spending of money in such fields as I have indicated.

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I approach this bill with mixed feelings. I can understand what the hon. member is driving at, but I think he has somehow gone adrift in part of it. On the question of the Commissioners of Internal Economy, having occupied the position which Your Honour now occupies and having worked with a number of cabinet members as commissioners, I found it an easy working relationship. However, there must be other ways of approaching this job and I have always felt that the Commissioners of Internal Economy, when it comes to the House of Commons, were there as advisers to Mr. Speaker.

If anybody formally questioned the views or desires of Mr. Speaker, that commissioner would put dissent in writing. This situation never arose, but I can assure hon. members that had it been the case, any commissioner who wished to dissent from the views of Mr. Speaker in connection with the administration of the House would have put his dissent in writing.

I found that there was an anomaly. I share this feeling with the hon. member for Skeena (Mr. Howard). It arises inasmuch as the financial affairs of the House of Commons, by reason of the composition of the commission, were under the direct control of the Minister of Finance. It is now the President of the Treasury Board. When I was Speaker, the Minister of Finance was also President of the Treasury Board; he held both offices. I agree that the House of Commons, if it is to have some working relationship with the government, cannot be given carte-blanche to write its own bill of expenses. In other words, a committee of members ought not to be able to decide that instead of spending, say, $1,200,000 it would spend an extra couple of million dollars in a particular year.

The position here is far different from that in the United States in connection with the Senate building and the Congress building which are not subject to the same rules; expenditures are under the direct control of the members and the administration has no authority over them. There should be a better meeting ground between the officers charged with the administration of this House and the treasury. Let us look at the present legislation, which states in section 16(1)

> The Governor in Council shall appoint four members of the Queen's Privy Council of Canada who are also Members of the House of Commons, who, with the Speaker of the House of Commons, shall be commissioners—

I think the interpretation of that statute has been too narrow. At this time there are a number of members of the Queen's Privy Council who could serve on that commission and who would serve on it, I think. In my opinion it would be an improvement over the present position—

Mr. Knowles (Winnipeg North Centre): It could not be worse.

Mr. Lambert (Edmonton West): —and would give better representation to the House if instead of having a cabinet subcommittee as is the case now—I felt this difficulty myself when I was Speaker—it were possible to have contact with hon. members on the opposition side of the House. After all, it was necessary for Mr. Speaker to contact members of the opposition in connection with many of the proposals he made. He felt it was proper to consult representatives of the various parties before he talked with the commissioners. This is why I took the attitude that the commissioners were there to advise Mr. Speaker and to approve of decisions. As I said, formal dissent would have to be expressed in writing. The commissioners were not equal in the decision-making process because the matters dealt with concerned the general administration of the House and because Mr. Speaker had, through the usual channels, consulted members of all parties.

I therefore think it would be better if among the commissioners advising Mr. Speaker—I will always use the term "advising Mr. Speaker"—were representatives of the opposition in the House. If it is felt they should be members of the Privy Council because they would have dealt with matters of this kind before, and that members of the Privy Council are likely to be residing close to Ottawa and to be available to Mr. Speaker when decisions have to be taken rapidly, as is sometimes the case, then so be it. At the present time, strangely enough, the four members of the Privy Council are supposed to give a geographic representation of the House. However, if we look at the geography this is not the case, because you could cover the geographical representation of the Commissioners of Internal Economy with a man's handkerchief.

• (5:40 p.m.)

The President of the Privy Council (Mr. Macdonald) comes from Toronto, the Minister

of Indian Affairs and Northern Development (Mr. Chrétien) is a resident of Ottawa but comes from St. Maurice, the President of the Treasury Board (Mr. Drury) comes from Montreal, and the Solicitor General (Mr. McIlraith) comes from Ottawa. I am having particular difficulty convincing these commissioners of the validity of certain claims I make respecting travelling privileges extending to members who live in western Canada. Frankly, I am convinced that the ministers on this committee, living as they do either here or in central Canada, do not have not a clue about the particular circumstances that apply to members who live far from Ottawa.

There is also the question of telephone calls that are made outside one's constituency and not on the dial system. I do not know whether it is Treasury Board niggardliness or because they want to draw the line somewhere; but if one dares to make a telephone call outside one's constituency and not through a dial exchange, just try and collect. For some reason Treasury Board and the commissioners only recognize telephone calls to one's constituency. This is all very nice for the commissioners who have no problems with their wide-area dialing, but I wish they had to deal with the situation to which I have referred.

There is also the question of travel from airports. Take a member who has to travel through four or five other constituencies in a city, say for 20 miles, from the airport. If the airport bears the same name as that hon. member's constituency, no allowance is made. In Edmonton, the taxi fare from the airport to my constituency is $9. The constituency in which the airport is located does not bear the same name as the airport; yet a member who does not have to travel as far as I do between the airport and his home is entitled to be reimbursed his expenses. I wish the commissioners would come down to earth and consider some of these problems. Another difficulty lies in holding meetings of the commissioners. I do not think there is anything harder to do on Parliament Hill than to bring the four ministers from their cabinet posts to a meeting with Mr. Speaker.

As I have said, I have considerable sympathy for changing the composition of the committee. We could change the designation of the committee without even changing the act. The government should recognize that this committee is responsible to the House. Since it is not a government committee, it should not consist only of cabinet members. That recognition, I suggest, would make a big improvement.

[Mr. Lambert (Edmonton West).]

I cannot go along with the hon. member's desire to repeal section 18 of the Senate and House of Commons Act. If that were so, then frankly no money would be paid to and on behalf of this House. After all, it is Parliament that authorizes the payment of money, not the House of Commons. Under no circumstances can the House of Commons authorize the payment of one penny. Therefore, I think the complete suppression of section 18 would operate to block payment of any moneys to the House of Commons.

A number of other matters were also discussed. I do not think that the Standing Committee on Procedure and Organization can examine the status of members' salaries. The salaries are set by statute and this is a statutory item which is beyond—other than the subject of comment—any control by members of that committee.

I will leave the question of negotiated settlements, the organization of employees of this House in a way similar to that of other branches of the public service, and so on and so forth, until another time. There are many, many hooks there, as far as I can see; for example, if Mr. Speaker, decided on a Wednesday afternoon that there would be an extra sitting on the Wednesday night, and immediately the equivalent of the shop stewards started to negotiate whether this constituted extra overtime, was beyond the limits of overtime, and so on. There are other ways than that to achieve justice. This House and its deliberations should not be bound by the narrow limits of a negotiated agreement of that kind. Going from the sublime to the ridiculous, I suppose if we wanted to we members could organize ourselves into a union and occasionally go on strike.

Mr. Howard (Skeena): We might stay out.

Mr. Lambert (Edmonton West): There are proposals in this bill that might be referred to committee. I observe the hon. member for Grenville-Carleton (Mr. Blair) in the chamber, and I know that the hon. member for Winnipeg North Centre (Mr. Knowles), like myself, is a member of the committee. I might do what Mr. Speaker does, if I may say so with great respect. At times it seems, with respect, if Mr. Speaker, finds a particular problem confronting him, he has a little slot on his chair—next to where Your Honour's hand is now—and it is marked "Committee on Procedure and Organization". This is a slot through which are dropped "hot potatoes".

This is a matter that could be looked into. I do not think it is one that can be covered under the rules. It is really a question of interpretation by the government. If the government wants to improve the situation a great deal, let it interpret section 18 in the way it could readily be interpreted, in which case many of the problems would be eliminated.

Mr. D. Gordon Blair (Grenville-Carleton): Mr. Speaker, I intend to speak only briefly in this debate; perhaps, in view of what the hon. member for Edmonton West (Mr. Lambert) said, in self-defence. I am putting forward as an important consideration the fact that the Committee on Organization and Procedure is likely to have other matters referred to it. I make that comment only facetiously.

The question raised by the bill proposed by the hon. member for Skeena (Mr. Howard) is an important one. There are many rules, practices and procedures in this House that are old: many of them could, with propriety, be described as archaic. I am not of the opinion that "archaic" could apply absolutely to the function performed by the Commissioners of Internal Economy, but I am of the opinion that the role that the commissioners perform is one that appears largely to have been dictated by parliamentary history.

Since we made great progress in this chamber during the last session of Parliament in regard to reforming rules, streamlining procedures and giving the ordinary members of Parliament a greater opportunity to participate in the affairs of the House, I do not think there is any reason why we should not look at the comments that have been made concerning a particular aspect of our procedure.

• (5:50 p.m.)

I am impressed by the statements made by the hon. member for Notre-Dame-de-Grâce (Mr. Allmand) and the hon. member for Edmonton West. Their statements indicate that there are really quite serious legal and operational problems involved in the proposal which has been made by the hon. member for Skeena. Indeed, if I understood the argument of the hon. member for Notre-Dame-de-Grâce correctly, the bill which has been proposed by the hon. member for Skeena would only partially cover the situation and perhaps leave us in a position where we would be worse off than we are at the present time. However, as always in our country, whenever change is proposed and progress is advocated there appears to be an obscure clause in our constitution which has to be taken into account.

I think we should be prepared at the appropriate time to give consideration to this proposal because of the responsibilities we have to ourselves as members of this House and also to the very large group of people who work for the House of Commons. I believe that greater participation by ordinary members of the House in the affairs of the House might produce benefits for us all.

I refer to *Votes and Proceedings* for April 22, 1969, when the Standing Committee on Procedure and Organization, of which I am the chairman, presented its first report. This report recommended among other things the provision of more space, personnel and facilities for the proper operation of the committees branch. It is a matter of common knowledge that the facilities and space available to the committees branch is far from adequate for its present function, with the result that the staff perform under very unsatisfactory conditions. Yet at this stage, ten months later, no action has been taken on this report.

We can think of many things that might be done to improve the physical position of members of the House. I do not intend to open or embark upon a discussion of them during these few remarks. I believe we should have regard to the position of the staff of the House, which is very large—approximating 2,000, if I am not mistaken. Perhaps I am exaggerating; it might be more like 1,500.

The purpose of the bill proposed by the hon. member for Skeena is to separate the House and its staff rather more from the ordinary structures of government. I think one of the problems of the staff of the House of Commons is that in many cases it is not treated in the same way as other public servants. I refer to difficulties and delays in obtaining salary increases and also the fact that House of Commons employees are not permitted to organize as are other members of the public service. I think that any consideration of the financial control of the House would have to take into account the problems of the staff and their relationship to other elements of the public service.

In my opinion the hon. member for Skeena has made a notable contribution in raising this matter for our consideration. I also express the hope that the Committee on Procedure and Organization, which appears likely to be faced with a full schedule of problems not much later in the life of this session, will not have to consider it this year.

House of Commons Act

In conclusion, I should like to correct one comment made by the hon. member for Notre-Dame-de-Grâce. It has not been the practice thus far for the Committee on Procedure and Organization to consider the estimates of the House of Commons. This task, up to now, has been undertaken by the Committee on Miscellaneous Estimates. I offer no opinion as to whether it might be desirable to make a change, but it would appear to be a matter that the leaders of the House might wish to consider.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, would the hon. member permit a question? I wonder whether he would not like to make a slight correction to something he said. I have no objection to his being named chairman of the committee again this year; but he is not yet the chairman, is he?

Mr. Blair: I am sorry, Mr. Speaker. The point raised by the member for Winnipeg North Centre (Mr. Knowles) is one which gives me reassurance. I am happy to be able to concur with him that I have not yet been given this awesome responsibility.

Mr. Steven Otto (York East): Mr. Speaker, I do not have much time left, but let the hon. member for Skeena (Mr. Howard) be not downcast. Without reservation, I think the idea expressed in the bill is the best I have heard since motherhood was first upheld; but it has not nearly the same chance of fulfilment.

The hon. member presumes that all this control members would have on the House, including salaries, research facilities and office space, is wanted by the government. That is an interesting presumption. Can you imagine anything worse for the government than to have a bunch of contented, efficient fat-cat backbenchers around? It is bad enough as it is, with some of them having the tendency to speak in an independent way now and then. If all members were self-sufficient and had all these facilities paid for—not having to worry about their bank managers calling on them all the time, their wives pressing for more money and all the demands in respect of housing, children, and so on—they would not be so vulnerable to pressures used from time to time by the administration.

Let us suppose that the House was in control of its own affairs and members had a budget sufficient for their keeping well informed: can you imagine what the administration and the deputy ministers would say when being examined by members? The situation would be very much better than it is now. I could go on, Mr. Speaker, but may I call it six o'clock?

[*Translation*]

The Acting Speaker (Mr. Béchard): The hour assigned to the consideration of private members' business has now expired. It being six o'clock, I do now leave the chair.

At six o'clock the House took recess.

[*English*]

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

NATIONAL PARKS ACT

AMENDMENTS RESPECTING DEFINITION, ACQUISITION, ADMINISTRATION, ETC.

The House resumed consideration of the motion of Mr. Chrétien that Bill C-152, to amend the National Parks Act, be read the second time and referred to the Standing Committee on Indian Affairs and Northern Development.

Mr. Speaker: Order, please. When the proceedings were interrupted at five o'clock to proceed to private members' business, the hon. member for Hillsborough (Mr. Macquarrie) had the floor. Prior to that the hon. member for Edmonton West (Mr. Lambert) had proposed an amendment to the bill now before us under Government Orders. The Deputy Speaker, who was in the chair at that time, expressed reservations or misgivings about the procedural acceptability of the amendment.

I should tell hon. members I have had an opportunity since then to look into the matter but would prefer, before giving my own views on it, to hear arguments either for or against the procedural aspect of the amendment. If the hon. member for Edmonton West at this point does not think he would want to submit argument, I would be prepared to give a decision.

Mr. Lambert (Edmonton West): Mr. Speaker, in support of the form of the amendment I put forward, I submit it is undoubtedly a

reasoned amendment. It perhaps departs from the form of a usual six months' hoist amendment. But there is no doubt, I submit to Your Honour, that in the initial portion of the amendment there is a reasoned opposition to the principle of the bill. Then the form merely indicates that on account of this the bill, as the amendment states, "be read a second time on a day six months hereafter".

Perhaps the wording is slightly infelicitous, but it is clearly stated and is not contrary to the repugnance expressed at the beginning of the amendment. It merely indicates the bill is repugnant and I suppose it could have gone on to say that it not now be read a second time. If that is considered to be the requirement, I think this defect can be readily cured by inserting the words, "that the bill be not read a second time but be read six months hence." That is the purport of it.

I must confess this bill is not my responsibility. I was prepared to speak and was asked to present this amendment. I have done so. If there is this minor technical difficulty, I think the amendment could be improved. With those remarks I shall leave the matter in Your Honour's hands.

Mr. Honey: Mr. Speaker, I will take only a very short time in giving Your Honour a couple of citations. I might mention initially that the hon. member for Edmonton West (Mr. Lambert) has headed his amendment, "Reasoned amendment at second reading". It seems to me, on reading it, that what the hon. member is attempting to do is apply the standard six months' hoist and dress it up with a great deal of verbiage in the preamble.

An hon. Member: Garbage.

Mr. Honey: My hon. friend says "garbage", I said "verbiage". In any event, there is a great deal of preamble. I should like to refer Your Honour to May's seventeenth edition, page 258. I shall read that authority:

> An amendment, which amounts to no more than a direct negation of the principle of the bill, is open to objection.

The amendment of the hon. member for Edmonton West states clearly that "the bill is repugnant in principle to the members of this House". If, as the hon. member has argued, this amendment were a reasoned one, it would not appear to be acceptable on that point. On the other hand, it does not appear that the amendment is a reasoned amendment at all, because it has the appearance of giving the bill a six months' hoist and would have the effect of killing the bill.

• (8:10 p.m.)

It may be that my hon. friend who moved the amendment wanted it to have this effect but did not want to say so in so many words. The only other citation is citation 202 (7) of Beauchesne's fourth edition which deals with the six months' hoist amendment and reads as follows:

> An established form of amendment, such as the "six months" formula used to obtain the rejection of a bill is not capable of amendment.

That being the case, it would seem that the bill that is before us could be amended in many respects. The preamble could be amended, for instance. Of course, the wording of the amendment is not the standard wording which is accepted in this House and by the authorities as a regular six months' hoist amendment. Your Honour will notice that the amendment reads, "this bill be read a second time on a day six months hereafter." That is not the precise wording that is required by the authorities.

Mr. Speaker: I thank the Parliamentary Secretary and the hon. member for Edmonton West who have given some guidance to the Chair. I think they touched on the essential points which have to be considered by the Chair. The Parliamentary Secretary referred to citation 202 (7) of Beauchesne's fourth edition which reads as follows:

> An established form of amendment, such as the "six months" formula used to obtain the rejection of a bill is not capable of amendment.

What I think should be retained of this citation is not necessarily that the formula is not capable of amendment, but rather the words used by the learned author "an established form of amendment". Obviously, he refers to the fact that this is a form which is long established and traditional in British parliamentary practice. This is further indicated in amendment No. 92 at page 396 of Beauchesne's fourth edition, entitled "The Six Months 'Hoist'", which reads:

> The question being proposed "That Bill No.... intituled ... be now read a second (or third) time;" Mr.... moves in amendment, seconded by Mr....
>
> "That the word 'now' be left, out, and the words 'this day six months' added at the end of the question."

I am not too scandalized because the hon. member for Edmonton West used a slightly different form; that instead of the word

"hence", he used the word "hereafter". It might be splitting hairs to point out the difference. But the difficulty which I see, if there is something wrong with the amendment, is that it is too good in the sense that it has two good amendments. It has a perfectly acceptable, reasoned amendment which is the first part of the amendment proposed by the hon. member and, I suggest, a perfectly acceptable six months' hoist which is the last part of the amendment proposed.

If the hon. member amended his amendment in such a way as to choose one or the other part, either the reasoned amendment which would invite hon. members to vote against the principle of the bill in which the hon. member, as part of his suggested motion, submits reasons why we should be opposed to the principle of the bill, that would be one possible proposition to be voted upon by the House. The second one would be the six months' hoist which would, again, make it possible for the House to express its views in connection with the bill. There may be a surfeit of perfection in the hon. member's amendment in the sense that it contains two good amendments and I would like him to choose one or the other, either the reasoned amendment or the six months' hoist.

I have consulted the learned gentlemen at the table who assure me, after long reflection between six o'clock and eight o'clock, that they cannot recall a precedent where a six months' hoist had been tacked on to a reasoned amendment, or vice versa. I hesitate to make a change at this time on this long established practice and I hope the hon. member will indicate to the House in what way he would like the amendment to be proposed.

Mr. Lambert (Edmonton West): Mr. Speaker, under the circumstances my colleagues suggest to me, and I agree—the hon. member for Hillsborough (Mr. Macquarrie), the seconder, accepts the suggestion—that we drop the wording with regard to the six months' hoist and leave the reasoned amendment.

With the general consent of the House, I ask that my amendment be terminated at the word "intent"; that instead of a comma there be a period; and that the balance of the wording be stricken from the proposed amendment. This would leave a reasoned amendment which would read as follows:

"this House holding the opinion that the bill is repugnant in principle to the members of this House as well as to the residents of Canada, including those of the townsites of Banff and Jasper National Parks, the persons most nearly affected by the bill's purpose and intent."

Mr. Speaker: My suggestion would be that the hon. member continue the amendment to the words "of the bill", leaving out the words referring to the six months' hoist, and this amendment would be the one which in due course would be put to the House.

Mr. Lambert (Edmonton West): The amendment would continue to read:

"and that therefore the government should reconsider the principle of the bill."

The words that follow would be stricken from the amendment.

Mr. Speaker: Does the hon. member have the unanimous agreement of the House to amend the proposed amendment?

Some hon. Members: Agreed.

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I have been a member of this House for 13 years, but this is the first time I have been associated with something that had a surfeit of perfection or was too good. I am afraid that my usual ruddy complexion will be further suffused because of the vicarious righteousness which I believe I have the right to feel.

I have had much enjoyment and satisfaction from hearing the speeches today of hon. members on this very important measure. Naturally, I was much impressed by the powerful argumentation of my colleague, the hon. member for Edmonton West (Mr. Lambert).

I listened with appreciation to the reasonable and reasoned address of the hon. member for Oshawa-Whitby (Mr. Broadbent), and I drew a certain form of enjoyment from listening to the address of the hon. member for Calgary South (Mr. Mahoney). I have not heard too many partisan speeches in recent weeks, and it was refreshing to hear such unadulterated partisanship. I think it is often difficult to make forensic bricks without intellectual straw, but I think he deserves credit for his try.

I have no way of knowing, of course, what he has in mind, whether he plans to contest a political post in the provincial realm in Alberta which I understand is vacant but I hope he does not have that aim, because if he has any notion of leaving this arena for a provincial one I imagine there would be tremendous pressure against this from the sup-

porters of the Liberal party in the Prairies who would be reluctant to open any federal seat there.

I will not dilate, as did many members of the House, on the general question of the establishment of Crown corporations. I do not have a rigid view on this question in an academic way. I think that in this country we have varied experience. Some Crown corporations have been extremely successful in administering a portion of the public service and others have not been so successful. It would not be helpful for me to dilate on the general question.

• (8:20 p.m.)

I would think, however, Mr. Speaker, that the insulation of this particular area of administration from public opinion is a strange move and a surprising one, because it strikes me that much of the trouble—especially, but not exclusively, in reference to western parks—is the lack of sensitivity to the needs, the interests and the wishes of the Canadian people for whom, after all, the parks were created and maintained. I always think that the preamble to the National Parks Act is something we should recall and remember:

> The parks are hereby dedicated to the people of Canada for their benefit, education and enjoyment ... and such parks shall be maintained and made use of so as to leave them unimpaired for the enjoyment of future generations.

I know, and I think all hon. members know, that this must never be lost sight of. But we have to recognize that the national parks service is facing great problems. A recent article in the *Canadian Geographic* indicates these problems, perhaps in an oversimplification, as cars, crowds and crime in some of the parks, if not in most of them. Much more attention must be given to programming, developing and choosing the best form of utilization in the parks because they have tremendous variety and diversity. Some are natural, in the early concept of that expression and in the narrow sense of the word: they were designed to retain the beauties of nature in and for a society which, alas, has too often been wasteful of our rich natural heritage. Other parks are recreational centres.

I am particularly concerned about the Prince Edward Island National Park which year after year is up at the very summit among those with the largest number of visitors. My colleague from Edmonton West spoke about a diadem that seemed to have three gems in it, and they were all western parks. But the second largest gem, if you look upon attendance from the point of view of measuring gems, would be the P.E.I. National Park. Only one park has more visitors year after year than the Prince Edward Island park, and it is one of the delightful western parks. But as my hon. friend pointed out this afternoon, that western park straddles a highway and visitors travelling to and from B.C. have to pass through it. If we had some way of analysing these figures more precisely, I believe our national park would in fact be the most popular in Canada. I shall try to get the Minister of Communications (Mr. Kierans) to produce some sort of computer that would project this result in an uncontrovertible fashion.

An hon. Member: Be careful there.

Mr. Macquarrie: My colleague thinks this might be the path of danger. Our park is extremely popular. Hundreds of thousands of people return to it to enjoy its beautiful beaches, red cliffs and clear water along some of the finest natural shore line scenery in North America. I wish the minister were in the chamber to pass this on to his officials, because this park has a good reputation as to the care and maintenance which is carried out in it from day to day in a very busy summer season.

It would appear from the schedule of this bill that there is an intention to reduce the size of the national park in Prince Edward Island, which attracts over one million visitors in the season. This is a thoroughly wrong-headed, short-sighted and utterly regrettable situation. Before this bill reaches its final destination I hope that someone will tell us why a park already small, narrow along the coast line, with a growing visitor rate, should be diminished rather than enlarged. It is clear that more land, not less land, is needed. The eastern portion of the park, the one not yet developed and the one I assume is going to be cast back to private hands, is a place of great beauty and tremendous natural attractions. I know it very well. It should be developed rather than refunded, if I may use that expression.

While I have had some complimentary things to say about the park, Mr. Speaker, one great blunder has been made which should cause anyone connected with the department to feel somewhat ashamed. Some time ago a great project was on to connect, to link together this narrow park on the north shore of our province by the construction of a

gulf-shore highway. But what happened? After exhaustive studies and models being erected at the National Research Council, on-the-spot surveys by engineers and scientists, it was found that the small Rustico harbour, an integral part of the park, could not be bridged. So the connecting highway was built, except it did not cross the bay that is in the park. Therefore, it does not connect, so that people who move from the beautiful and historic Anne of Green Gables sector at Cavendish to the eastern portion at Dalvay Beach now face a 12-mile detour.

So while we find in Prince Edward Island that we are not able to get a crossing from our island to the mainland, we also discover it is apparently impossible to bridge the mouth of a very small fishing harbour. How difficult this is to explain to the public, even though those in opposition should try wherever possible to justify the administrative processes whereby the country is administered. It is hard to explain why the feasibility studies on the bridge were not done before the expensive, so-called connecting highway was laid. How difficult it is to explain to the people of Canada, the people of P.E.I., that while the U.S. can get a man on the moon, and the U.S.S.R. and the U.S.A. can place equipment on or around Mars and Venus with great precision, all the forces of the government of Canada cannot cross Rustico harbour. In ten years they have not been able to get across that harbour, and this I find difficult to explain.

I also believe that in the face of the growing popularity of P.E.I. as a tourist centre—and it is one of the most expansive and expandable industries that we have—we need, not a diminution of our present park but its extension; and we need that which has been given to other provinces, a second park. Nova Scotia, our friend and neighbour, has a new park and there is reference in the bill to its development. But years have elapsed since the second P.E.I. park entered the discussion stage. Now let us have it in the production stage. In a burst of objective detachment I suggest that that park be built in a constituency other than mine. I say that because the whole of the north shore of my constituency is already an integral and beautiful part of our national park; therefore, I would think that my colleague from Cardigan (Mr. McQuaid) would have some suggestions to make as to other very beautiful areas on the coast.

One of the serious things which is happening in this country is that far too much waterfront in coastal areas, around lakes and along rivers, is falling into private hands and quite often into the hands of people who are not Canadians. The "No trespassing" sign is going up and up and up, and more and more Canadians are unable to get to the beauty and restful opportunities of the seashore.

[Mr. Macquarrie.]

• (8:30 p.m.)

I read some startling figures not long ago about the very small portions of the eastern seaboard of the United States, from Maine to Florida, which were available for public use. The article stated how foolish that was and what a terrible deprivation it was to the American people. Anyone who has endured the rigours of Revere Beach knows how overcrowded is the east coast of the United States. How wise the Australians were in virtually prohibiting the acquisition of beaches by private persons!

Before it is too late I would suggest that whatever is done in administrative niceties, we should move very fast to preserve more of the water line, more of the beach areas for the people of Canada as part of their rightful heritage. Before it is too late, let us acquire the right for all the people to get to the glorious sea coast.

In all these things I think we must maximize the possibilities. We are moving rather slowly, but we are moving forward with some development of regional expansion programs. The national park on Prince Edward Island has a very fine, important and delightful development and that is the increase in the deep sea fishing excursions right in the heart of the park. There is Cove Head harbour, where many people look for a delightful opportunity to haul home some of the groundfish which upon reaching the shore they can cook and enjoy in some of the lovely campsites. Yet this harbour, under the plan fathered by the Department of Regional Economic Expansion, has been downgraded to secondary status.

It is a strange thing, but it is always difficult to try to convince people that a government is acting intelligently when with its right hand it says, "Down" and with its left it says, "Up". To diminish the opportunities by downgrading this harbour, and at the same time suggesting a program of expansion when extra funds from other departments are put forward, is incomprehensible and wrong.

Before any effort is made to shuffle responsibility, I hope those who have the authority now will look at these parks and

the problems and try realistically to adjust the facilities to maximize the opportunities, so that the parks will fill the need and contribute to the tourist industry while providing meaningful recreation. I hope that the facilities presently available will be maintained for the people of Canada as a whole and for the people of Prince Edward Island.

Mr. Paul Yewchuk (Athabasca): Mr. Speaker, I am pleased to have the opportunity to add a few remarks to this debate. The hon. member for Calgary South (Mr. Mahoney) spoke earlier today—one of his few contributions in the House of Commons. Most of his speech consisted of a vitriolic attack on the official opposition. I am concerned about this, because his attitude characterizes and epitomizes the attitude of this government not only toward the official opposition but toward Parliament itself.

I wish to speak frankly about his comments in relation to the bill, though I have difficulty in seeing the relationship between the bill and his comments. His speech sounded as though it was written by the Minister of Manpower and Immigration (Mr. MacEachen) because it was as constructive as are the minister's speeches. I used to think that the hon. member had at heart the best interests of the Canadians who live inside and outside the parks, but his performance this afternoon was unconvincing and irrelevant; his remarks were contradictory and self-defeating; he vacillated between one point of view and another and at times they were bordering on the incoherent.

An hon. Member: That is an expert opinion.

Mr. Yewchuk: He complained that the opposition was not constructive and made no contribution to Parliament. After he spoke, Parliament was no wiser about where he stood on Bill C-152, nor did the quality of debate improve. As a matter of fact, we know less about where he stands than we did before he spoke. The hon. member, as did some of his colleagues, complained of the poor opposition offered by our party. I should like to say that if the government continues on the course it has started, it will have its chance to do better—

Mr. Speaker: Order, please. I assume the hon. member's remarks are of an introductory nature and that he will finally bring them to bear on the bill before us. I would invite the hon. member to note that before the House at the present time is Bill C-152, an act to amend the National Parks Act.

Mr. Yewchuk: Thank you, Mr. Speaker. I thought these remarks were relevant since they were in response to a speech which was allowed to continue along that line. My remarks are of an introductory nature and I assure Your Honour that I will soon be on the substance of the bill. However, I wanted to make one or two comments on the hon. member's speech. I realize it was not very interesting, but I will get to the bill in a moment or so.

The whole attitude of the hon. member was a bit upsetting to me, and that is why I wanted to make these comments. He complained about our front benchers not contributing much to the debate and not making good speeches. At least they were here when he was speaking, but on his side only the Minister of National Defence (Mr. Cadieux) was present. Even the minister responsible for the bill was not in the House, nor has he been here throughout the debate.

In spite of what the hon. member for Calgary South said, I am convinced that my party, the official opposition, is following the right course in opposing the principle of this bill. First, I point out to the country and the House that we are disturbed at the proliferation of Crown corporations instigated by this government, and second, with the callous disregard that this government has for the people of Canada.

I wonder whether there was any consultation with the provinces before this bill was drawn up, in order to ascertain their views on the establishment of this Crown corporation as well as the others that are coming up? Does this government really think it has sought a national consensus on the principle of Crown corporations having so much power and administering such a large segment of our life? This is what we are trying to achieve, Mr. Speaker; but the debate has not lasted long enough for public opinion to develop adequately. It is totally irresponsible of this government to try to ram the bill through the House before public opinion is given a chance to develop.

A very vital question is involved in this debate, that is, what kind of administration do Canadians want? Traditionally, we have thought of ourselves as living in a democracy, a democratic society with the government responsible to Parliament. Since this government came into power a year and a half ago

it has exhibited a definite tendency toward the development of unwieldy monsters—these Crown corporations gobbling up public funds yet not responsible to the public nor accounting for how the funds are spent.

• (8:40 p.m.)

In this country there has been a tradition of elected representatives setting the policies and looking after expenditures. As a matter of fact, this principle is what brought most new Canadians to Canada—the principle of responsible government. It forms the very core of our society, and we do not want to give it up. We know the tendency is to give these corporations too much independence. Their decisions are not the decisions of those who represent the people, and as I see it, this is just another step towards dictatorship.

Some hon. Members: Hear, hear!

Mr. Yewchuk: I do not want to talk about the CBC in a derogatory way because I know many fine people in the CBC. Often we hear criticisms of this corporation and often, when hon. members direct questions to the minister reponsible for the corporation, they are met with a shrug of the shoulders and the explanation that the minister is not responsible for the CBC because it is an independent body and makes its own decisions. I ask, is this what we want for our parks as well?

An hon. Member: No.

Mr. Yewchuk: Of course, there may be another explanation for the government's action. Knowing that the policies he is pursuing are unacceptable to the people, the minister does not want to accept responsibility for them. He wants to be able to say, "I was not the one who made this policy; it was the Crown corporation, over which I have no control." Is this what the government wants? Perhaps it is. There is another possibility: perhaps it wants to create another huge pyramid for patronage, another place in which to employ loyal party workers, defeated candidates and that sort of person. I do not think we should pursue the principle of creating too many Crown corporations. It seems that the government wants to create a great many Crown corporations. We have heard about the Department of Public Works, the Department of Transport and the Post Office Department being made Crown corporations. Perhaps the Department of Northern Development is next in line for being turned into a Crown corporation.

[Mr. Yewchuk.]

Mr. Nesbitt: Eventually, we shall not have much of Parliament left.

Mr. Yewchuk: It seems as if the entire government is to be run by Crown corporations. Then they will set up one Crown corporation to run all these others, with the Prime Minister being chairman or president. That is why I say this policy is a step towards dictatorship. I point out that Crown corporations do not represent the people, and the policies they draw up are not those of the representatives of the people. That is wrong in principle. As I said before, the minister may be trying to shed responsibility for policies not acceptable to the Canadian people and this is one of the things he has in mind. He will obtain a certain amount of immunity from public criticism in respect of unacceptable policies. Let me assure you, Mr. Speaker, that the policy of setting up this Crown corporation is also not acceptable. I think it is bad for democrary and I object to it on that basis.

My second objection to the bill is that it totally ignores the largest park of the country, Wood Buffalo National Park, situated in northern Alberta and partly in the Northwest Territories. There has been a lot of talk about the provincial and federal governments changing the boundaries of this park, but for some reason the government has chosen to ignore the park completely in this bill. The park is populated primarily by native people, Métis and Indians who are mostly unemployed, living in conditions of severe poverty and without any immediate prospects of better economic circumstances. The provincial government has told the people that if it administered the area it would be quite willing to develop it, build a road to the park, bring on industrial development and try to provide jobs. The provincial government is notable to do these things while the federal government controls the entire territory.

Not long ago I spoke to the Premier of Alberta who said he wanted to talk to the minister responsible for that park. He is willing to talk and has certain proposals, yet for some reason the two ministers have not met to discuss the matter. I spoke to the Minister of Indian Affairs and Northern Development (Mr. Chrétien) about this, and he also indicated he wished to talk with the Premier. So far, however, he has not taken the initiative to meet him and talk to him.

It gives me great pleasure now to mention the former Conservative government, the only government that looked to the north, thought about northern development and established

the Roads to Resources Program. The program held out great hope to the people of northern Canada. That government started a program of constructing roads up to the northern territories, but as soon as the Liberals came back to power they scrapped the program and the people up there are despairing again. They were looking forward to a program which would develop roads and resources and improve their economic circumstances.

Now there is no hope of that. I think the blame for this rests squarely on the shoulders of the minister. He does not care about the poor people of the north; he does not care that northern Métis wear ragged clothes, that husbands have no jobs and wives no facilities because their husbands lack jobs. It is high time for him to reassess what he is doing to those people, although possibly he may realize what he is doing. The people of the north are entitled to a living as well as anyone else, Mr. Speaker.

May I, in conclusion, reiterate my first objection. When we set up Crown corporations we take away the authority of Parliament and place it in the hands of civil servants. This is wrong in principle and I think the public ought to be aware of what is going on. For the past couple of years the Prime Minister (Mr. Trudeau) and his associates have been shouting, "participatory democracy." How can the people participate in the decisions of Crown corporations?

Not only is the government unresponsive to ideas of responsible government, but by downgrading Parliament for the past year and a half it seems to have forgotten that Canadians want representative government. Government supporters seems curiously reluctant to grasp this simple fact. Bill C-152 asks Parliament to relinquish some authority, to take it out of the minister's hands and vest it in a Crown corporation. Perhaps the minister thinks it a good idea, but I assure him the people do not want it. The sooner the government realizes this, the better off it will be. We accept the government's mandate from the people, but the people wanted the party now in power to run the country and not to run it into the ground.

If the government continues the trend toward less democracy in its structure, there is no question that its days are numbered. Maybe it already knows this and that is why it is setting up a pyramid of patronage. I remind the government that if it is defeated in the next election, there will be no highly-paid positions for defeated candidates or party workers on this or other Crown corporations, therefore, it might as well not propose this kind of bill which, as I see it, is unacceptable.

Mr. Arnold Peters (Timiskaming): Mr. Speaker, for some years I have listened to those who support the expansion of enterprises in our national parks and those who would restrict their use to recreation. This controversy usually centres around Jasper and Banff. I think it is time we quit playing with these two communities. They are obviously there; they are obviously going to stay, and I believe that most people who visit the parks are happy to have them there.

• (8:50 p.m.)

I think, though, that we should limit the expansion of those communities by throwing a line around them within which development should be confined. Then we should allow the Alberta government to administer those communities in the normal way. I am one of those who believe that those who are living within the parks should be entitled to live as members of the community in the normal way, with the proviso that they are not free to expand in size much beyond what is required by the needs of the park. I am of the opinion that the government should proceed to the municipalization, if that is the correct word, of both Jasper and Banff National Parks and allow the people there to develop in a provincial and municipal sense within the parks.

The proposal to establish a Crown corporation raises in my mind the obvious question: Why? I do not agree that everything the government has done in connection with these parks has been bad, but I am sure most people will suspect, as I do, that the establishment of a Crown corporation has something to do with a desire to make this corporation pay its own way. I have never spent much time in Banff National Park or Jasper National Park, but from the pictures I have seen they do indeed represent all the beauty that is to be found in that part of the country.

I am proud that these two parks are in existence and that they should be available to people of all parts of Canada—indeed, of the world—at a reasonable cost. I may never go to those parks, but I will gladly pay my share so that others can enjoy them at a reasonable cost. I fear that a Crown corporation set up to run the parks will raise prices to a point at which it is hardly worth while going to them, as has been the case in Ontario. One might

just as well park one's car or trailer outside a motel and use the facilities of the motel, because it would cost just as much to stay in the park.

Although I do not have much experience of the western parks, I have had the opportunity to visit Gatineau Park on a number of occasions. I have travelled up to Lac Philippe on a number of occasions and I must say I am impressed with that park. I think the people of Quebec who say they want to take everything over would look enviously at the Gatineau Parkway and at the job the federal government has done in that area. Anyone who wishes to take a tent or a trailer and go into that area will find it possible to spend an economical and enjoyable holiday. This is how it should be. Banff National Park demonstrates the beauty of the area to the best advantage and so does Gatineau Park, which compares favourably with any area which could have been chosen.

I am pleased with the way in which the parks are run. With one or two exceptions, the officials who operate them have always been courteous and efficient. There is one exception I should like to mention, and I am reminded of it when I go to Gatineau. As the years have gone by and as the park has expanded, new gates have been added. Since the Prime Minister's residence has been established in the area, there are a few gates which were not there originally. To go where I wish to go sometimes requires a certain amount of politics, some manoeuvring and occasionally a little brow-beating. But in the end we get there anyway.

If a change is made, the only change I can foresee is in the direction of making the parks pay for themselves. There are a good many facilities provided in all the parks I have visited and the cost of these facilities is obviously not covered completely by the fees paid by people who visit them. I have always enjoyed going to parks. I remember one time when I was campaigning in the Hanover area. This was a very peculiar area: it is true there were hotels there, but they closed at nine o'clock, possibly because they had no beer or liquor facilities and there really did not seem to be much point in their remaining open.

An hon. Member: What was the point of staying there?

Mr. Peters: I remember spending a few months politicking in the area. We were never sure when a meeting would end. When I drove through that community I always found the hotel doors locked; nobody seemed to be interested in letting a room. But there was a beautiful little park where one could rent a cabin with a bed in it and hot and cold running water. I enjoyed those facilities every time I visited the area, provided it was during the summer months.

Most of the park facilities provide reasonable comfort and one ought not to expect that the price should have a direct relationship to the cost of maintaining these services. If a Crown corporation is set up, there is no doubt in my mind that an attempt will be made to make these services pay for themselves and cover the cost of any additional services provided. It is obvious that the public is demanding more and more accommodation year by year, so the cost will go up.

I recall something which always burned me up. I suppose this happens to other people whenever they start thinking of politicians. I remember a member of the provincial legislature in Timmins, where I lived for a number of years: later he became the minister of lands and forests. There was a very beautiful area outside Timmins containing about 20 little lakes. You could drive through that area. It had been logged years ago. In some lakes you could fish; in others you could swim. Others were attractive lakes where you could have picnics. It was all very rustic, and all very cheap. After this man became minister, what did he do? He put a fence around this area and charged everybody who came in $2.

Many of the people who had been brought up near this area felt they owned it. It was Crown land, and they had used it for years. I objected strongly to paying $2. But worse was to come. The fee was increased to $5. I suppose that this year it will be $10.00—to do exactly the same thing as we were able to do before for nothing. Sometimes the beauty of a park is the low cost you pay for it and the advantage you get from a scenic outing that really does not cost you anything.

It occurs to me that among the provinces the federal parks branch has overlooked is the province of Ontario. We have two or three very small national parks there. I suppose you could put one of them into the grounds of Parliament Hill. When I say they are small, they are really small. This is surely not what the national parks legislation really had in mind. The intention, I am sure, was to set up parks which would demonstrate the best or the most scenic areas of the provinces. The seeming neglect of Ontario probably

arises from the fact that it, like Quebec, has done well in establishing provincial parks. This makes it more difficult for the federal government to play its full role in some provinces.

• (9:00 p.m.)

I suggest that as far as Quebec and Ontario are concerned, we would solve the problem right away by establishing in that part of northern Ontario from which I come a national park. This would be an area that would take in part of Lake Timiskaming, an interprovincial body of water that has a great history. The country there is fairly rough but very scenic. The park would also embrace an area closely situated to the little clay belt which also has great scenic beauty. This area is closely connected with the silver mines which were the birth of mining in Canada. As a tourist you can go underground and look at some of the operations of the mining community.

This area is also closely associated with the province of Quebec and has a great history going back 300 to 400 years. As you drive through that part of northern Quebec you can see the old seigniorial farms that have a narrow frontage on the water but run back into the countryside for two or three miles, similar to farms in other parts of Quebec which were settled a long time ago. There is also a history of early fur traders, the Hudson's Bay base being established there 300 to 350 years ago. There are many sites of battles which took place between the Northwest traders and the Hudson's Bay traders, as well as various Indian tribes who were fighting for either the Hudson's Bay Company or the Northwest fur company. There are other historical aspects that could be featured in a national park established by the federal government.

Another park that I should like to see the federal government establish would centre around the only salt water port that Ontario can boast today, the port of Moosonee. I should like to see it made a park for two reasons: first, it represents the Indian culture in Ontario, indeed in a large part of Canada—particularly the swampy Cree culture as we know it. It will very likely be the focal point of Indian settlements as Indians are encouraged to come out of the more isolated areas and into Indian communities. My second reason is a selfish one. The Ontario Northland Railway owns most of the land around Moosonee, and as far as most of the inhabitants of the area are concerned, it is a very difficult landlord. The inhabitants would do a lot better if a small municipality, established by the National Parks Commission, were to take over some of the facilities in the area.

The Ontario Northland Railway runs an excursion to Moosonee every week. The trains are made up of 10 to 12 cars; on occasion two or three excursions a week are run, and they are jammed. In fact, this is the way to run a railroad. There are bars on the train, though if you want to you can carry your own alcoholic beverage. You can bring your own lunch, or there are five or six snack bars on the train. There are two bands every Sunday, and everything is wide open. One of my colleagues has been instrumental in persuading the police to get rid of their sidearms, and the trip to Moosonee is very enjoyable.

I think the federal government should do something about making this area into a park. It is a nesting place for the Canada goose in its mid-flyway from Canada. As I say, the area is the centre of culture for most of the Indian tribes in northern Ontario. The facilities of the area are such that civil servants who moved into the park area would feel at home. Educational facilities are excellent; hospital facilities are good. Roads to the area will be provided in the near future. It seems to me that the area of the park could be extended along the coast of both shores of James Bay to take in part of the province of Quebec and the province of Ontario. I think the people of Canada would find this area truly representative of Indian culture.

There is a chance in Parliament today to establish some parks in the north, though I do not know how long this opportunity will last. There is great interest in the idea on the part of most Canadians in the north. I am amused to hear people in Toronto say that we should open up the north, that we should do something for the north, because most of these people have never been very far north. An official of the Ontario Department of Lands and Forests recently told me that his superior had gone north. I asked whether he would be back that afternoon and the official told me his superior had gone way up north. I was wondering what the Department of Lands and Forests was doing around Hudson Bay and James Bay and I asked where he had gone. I was told he had gone up to Algonquin Park and might not be back for two or three

days. I am never quite sure what these officials mean by the far north and I think it is time we showed Canadians what the north really is.

Geographically speaking, you do not have to go too far north of Toronto to be in what I call the north. You can find around Hudson Bay and James Bay climatic conditions that are not too remote from those of the Northwest Territories.

Mr. Nesbitt: The government likes showing the Americans what the north is like.

Mr. Peters: Yes, but not Canadians. I think such a park should take in the upper Ottawa River, Lake Timiskaming and particularly the narrowest part where there is only half a mile between the province of Ontario and the province of Quebec, an area where much of Canada's history was written. In addition, there is little doubt on the part of most Canadians that a great deal could be done to develop interest in the north if the federal government were to establish a park embracing areas such as Moosonee, James Bay, the mouth of the Moose, the Harricanaw, the Albany and several other rivers that flow into James Bay. Such a park would let the people of Ontario, almost half of Canada's population, know that the centre of Canada also has a deep sea port.

Many people who visit James Bay are surprised to see the blood-red water in the spring, and to realize that across the bay lies the sea, and further out the ocean, yet they are only 500 miles from the city of Toronto. For many travellers it would only be a day's trip, and they would be able to take full advantage of the unique facilities offered in the area. This, surely, is reason enough for establishing a national park there.

I do not think a Crown corporation in the field of national parks is required. I think most Canadians would agree with me that we are all willing to make a contibution to the establishment of national parks across Canada in order to portray the attractions of a given area to all Canadians. We do not want to make money out of this; we want merely to provide a service. Those of us who do not use the park facilities should nevertheless make a contribution; the parks should not be dependent upon the pay-as-you-go system.

I understand we may establish a Crown corporation to take over the Post Office. It may well be said that this will not make the service any worse than it is now, and that may be true. Many people are complaining about the Post Office today. Many of us who would like to have the problem solved even if it means establishing a Crown corporation. I do not think that is true in relation to national parks; I believe that most of the squawk comes from a very few people who want to start drilling or bush-cutting operations in our parks. We are facing this problem in Ontario; it is not all one-sided.

• (9:10 p.m.)

It is true that Ontario will have no parks by the time we get around to deciding that the government of Ontario must have responsibility for parks and for bush-cutting in them. While I agree that cutting must take place, it should not be done for economic advantage but for maintenance of the forest in the area in order that the land may be enjoyed in perpetuity by the people of Canada.

This also applies to our national parks. It may be all right for us to have a small mine in Banff or Jasper National Park, but it seems to me it is of much more interest to our people to know that 100 years from now others will be able to look at Canada as it was when development had not taken place. Surely that is why we are keeping the parks—to provide others with the opportunity of looking at something they would not have the opportunity of seeing in any other way. I think a park is a living history and the living geography of the nation. Our people are to be congratulated for their foresight in establishing these parks.

The problems resulting from people being allowed to live in Jasper and Banff National Parks must be solved. The only simple way they can be solved is by incorporating these areas into municipalities with limited expansion. They should be allowed to associate with the provincial government in order to get into the normal stream of municipal development. The people living in these national parks have an obligation to their area. They must provide the facilities needed. So far as I am concerned, they have done this: they have provided facilities and have done their job.

We should at least make them free to enjoy municipal government. They should have this as a right. It should be established that they can participate with the Alberta government but their expansion should be contained by the National Parks Department. In order to accomplish this, we do not need to establish a Crown corporation. I am not opposed to Crown corporations, but normally a Crown

corporation must be a successfully economic operation. There are a few exceptions, notably the CNR. In respect of every other Crown corporation we look at the balance sheet to see whether it is making money. If it is not making money, it must provide a service of the kind that makes it acceptable to everyone.

This is not the role of our national parks. For this reason we should not agree to the establishment of a Crown corporation. We should congratulate the people who have been operating our parks over the years and wish them God-speed in continuing their operations in a similar manner but on an expanded basis.

[*Translation*]

Mr. Roch La Salle (Joliette): Mr. Speaker, if I take the liberty to participate in this debate, it is surely not because we already have national parks in the province of Quebec, but rather because this project has been under study for nearly a year now and I think fit to expression an opinion in the matter.

I have been listening to speeches on national parks for a while and it seems that the provinces which are already provided with such parks experience certain difficulties. Far from me the idea of criticizing the way in which these parks are administered, but on the other hand it seems that the creation of a Crown corporation would not settle the problem.

In any case, I feel that it would be desirable for Quebec to have one or two national parks.

Development of national parks in Quebec would tend to promote tourism, which should be encouraged in Quebec as well as in the other provinces. I would therefore like to take this opportunity to express the hope that an agreement between the federal government and the government of Quebec be arrived at as soon as possible in order that our province, like the others be given national parks.

Some hon. members are in favour of identical budgets for all the provinces. There are many ways for other provinces to recover funds invested in their national parks, but Quebec receives no subsidies for that purpose.

Of course, Quebec would have many reasons not to participate in this project. At any rate its present government appears willing to co-operate and to take advantage of the funds made available to those provinces for the development of national parks.

It was also stated that such parks should have some historical connotations. That is a very good suggestion.

May I say a few words on the conflict that now exists between Ottawa and Quebec with regard to the development of Forillon park. Let us hope that the St. Maurice valley will also have its national park.

The Minister of Indian Affairs and Northern Development (Mr. Chrétien), like the Quebec government, is keenly interested in the establishment of national parks in that province.

I believe it is my duty to make a few comments on these difficulties, for I am convinced that the federal and provincial governments will show good will and good faith in the development of Forillon park.

I think that each provincial government must take great care of its territory, provided the interests of the people are safeguarded.

Discussions have been going on for a year about developing Forillon park. Lately we have heard that, on the one hand, the federal government accuses Quebec of delaying this project and, on the other hand, that the authorities in Quebec blame the federal government for not understanding their position.

• (9:20 p.m.)

In any event, there should be an effort to understand the arguments of both sides. I once said how interested the Minister of Indian Affairs and Northern Development seemed to be in this project. I am also convinced of the concern and the sincerity of the provincial government.

Those explanations having been given, it appears that the Quebec government cannot presently agree to the terms set by the federal government since already a study on the possibility of finding natural resources is under way and a society is said to hold the prospection rights.

Anyhow, the Quebec government seems to be well disposed. Indeed, I feel that if it were given the possibility of developing at any time that land, it would be willing to conclude an agreement with the federal government.

However, the minister alleges that it is impossible to let the provinces, once the contract has been signed, undertake prospection on the land. I am under the impression that he is then referring to a legislation which went into effect many years ago, in short at

a time where the prospection and development of natural resources were not as well known and as widespread as they are now.

I am therefore asking the government to review that bill which does not allow a province, once an agreement has been concluded with the federal government, to prospect and develop an area designated as a national park.

If we only showed a certain amount of good will and realism, taking into account the technical facilities we have, the province of Quebec and the federal government could without much delay arrive at an agreement whereby an area of Quebec would be endowed with a national park. The population is right in endorsing the Forillon park project, but we should refrain—and I point this out for the information of the House and to maintain good relationships—from thinking that Quebec objects to that agreement for trivial reasons. This is far from the truth, because, as a matter of fact, all Quebec members are as much interested in that project as I am myself and as is the whole population of Quebec.

The parks at Pointe Forillon and in the St. Maurice valley should be developed in the shortest delay possible for the greater good of the Quebec population.

Mr. Speaker, I wanted to make a few comments to inform the House on the present situation, and to say that we hope that the province of Quebec will also benefit in the near future from the possibility of welcoming a greater number of tourists from other Canadian provinces and abroad. Knowing the benefits derived from national parks in our province, we will be inclined to go and visit the national parks already existing in the other provinces of Canada.

Mr. J.-A. Mongrain (Trois-Rivières): Mr. Speaker, I listened with satisfaction to the speeches of some opposition members. I will mention only two because not all of them impressed me to the same extent.

The hon. member for Hillsborough (Mr. Macquarrie) for instance has a most extraordinary sense of humour and a subtlety of expression which should be a lesson to all members.

With regard to Bill C-152, it is mainly on account of the remarks made by the hon. member for Joliette (Mr. La Salle) that I rise now, since he mentioned the St. Maurice valley project. I should like also to congratulate my colleague the hon. member for Joliette for the impartial way with which he usually deals with subjects in which he is interested. His remarks are non-partisan and truly constructive in view of the fact that his main concern seems to be, as in the case of some other members, to further the implementation of the projects rather than to hinder the action of the government. To play petty politics is an easy thing to do. I thank the hon. member for Joliette for advocating a friendly agreement between the Quebec and Ottawa governments so that the province of Quebec can also have its national parks.

I would even be inclined, as he did, to ask the federal government for some concessions which could also be granted to other national parks in other provinces—and I would not see any objection to that—provided of course that certain standards be maintained and that any Canadian citizen who visits our national parks in British Columbia, Alberta, Saskatchewan, Ontario or Quebec, feels at home everywhere instead of finding himself all of a sudden in some foreign country, where national parks would not be operated in the same way as in his own province.

Bill C-152, to authorize the establishment of a Crown corporation, may have some merit. It may have the merit of preventing the squabbles due to too much partisanship, in Ottawa as well as in Quebec and in all other provinces.

If we were to establish a Crown corporation, independent from politics, provided with powers the exercise of which would be under the supervision of the federal government, perhaps we could come to an arrangement likely to promote the tourist industry in Canada.

There is no doubt that in Quebec national or provincial parks are urgently needed. I echo the comments of the member for Joliette who dealt with the particular situation that exists in the area I represent.

Indeed, the oldest steel industry in Canada is found in my riding. At least, so folklore would have it. The old ironworks of St. Maurice operated around 1756. Not only was gunnery produced but also equipment which could be found nowhere else in Canada. It is therefore a rather extraordinary historical site.

I know very well that in the last few years various committees, including the Chambers of Commerce of my area, have made extraordinary efforts in an attempt to make the best of that tourist attraction which would be located in the middle of or near the national

park that is planned in the St. Maurice valley.

To my mind, those efforts came to nought because of tourist red tape. At one point, the government of Canada was willing to make a substantial contribution which, unless I am mistaken, amounted to something like $200,000. The project would have cost around $600,000 or $700,000. The Quebec government seemed ready, at first, to make its contribution. The most generous contribution, however, would have come from the steel industries of North America. The major ones had accepted the principle of setting up in the St. Maurice valley a tourist centre with a historical museum to commemorate the beginnings of the steel industry in North America.

At this point, something went wrong. To begin with, the federal government demanded the ownership of every historic relic likely to be found on the spot. In fact, there were enough of them to load several railway cars. The finds went back to 1700, 1750, 1800 and later.

The federal government was willing to leave them indefinitely in the custody of the Quebec government provided it kept legal ownership to them. The provincial governments,—one after the other and I am not trying to be partisan—all turned down the offer of the federal government saying they would take the utmost care of whatever was part of our land, as stated by the hon. member for Joliette (Mr. La Salle).

• (9:30 p.m.)

I am just wondering if we are not indulging in red tape while depriving ourselves of important and valuable assets such as historic centres could be for our national parks.

Things drag on and on, jeopardizing our tourist industry. There are no national parks in the province of Quebec because we have not yet gone beyond the stage of fruitless legal discussions. The first thing to do is to encourage the thousands of available tourists to visit this depressed area designated by the federal government. We are now overlooking one of our most profitable industries, the tourist industry.

I do not want to be partial. I take this opportunity to congratulate the previous speakers who avoided doing so. I join with the member for Joliette so that the Quebec and Ottawa governments understand that it is perhaps advisable, sometimes, to give in a little and not to be as uncompromising as some jurists who draft legislation.

I do not ask for any special treatment for my province. I would like what is granted to Quebec to be given also to all other provinces. I have come to wonder if it would not be possible to reach the following arrangement: the federal government would contribute to the establishment of the national parks, but would administer them jointly with the province concerned.

One could also devise a formula, as the one, for instance, that allowed for the creation of housing corporations in the provinces.

The tourist industry will benefit directly from the establishment of national parks. It is an industry which is immediately profitable and which will help raise the economy of the most underprivileged areas. There is also another problem that derives from the first one. I mean the pollution of air and water and its implications for the wildlife.

The day will come when the virgin forests will cease to exist, when we will find only devastated forests and polluted lakes. It is high time, I think, that the two levels of Government co-operate. They must at least establish plots of green in Canada so that our sons and our grandsons may know that great nature which the Creator made for the good of mankind. The establishment of national parks will constitute, I think, a valid solution to the problem.

Mr. Speaker, I am astonished that some people should oppose the establishment of a Crown corporation as suggested in Bill C-152. I do not see Parliament, even if it were the best of legislators, having the necessary ability for that type of administration and I feel that we would benefit from entrusting it to experts.

One or two of my hon. friends from the opposition said that the corporation would be another place where patronage could nest. But why should we veil our faces as if we were Pharisees. Even if it were true, they themselves did exactly the same when in office, and that is precisely what they will do again, if they are returned to power. Such an argument is not at all serious, because I do not see any harm in a government being in power.

I do not say that this government will indulge in patronage, for it is sufficiently objective, at times, to make appointments which are not necessarily based on party considerations. I could mention names, were it not for the fact that it is against the Standing Orders, and say that since the last elections,

the government has appointed people who were not supporters of this government, which proved that partisanship was not the mainspring of all our activities here.

I suggest that this argument was not serious. On the contrary, I believe that experts, people of integrity, having the confidence of all Canadians, should be given the task of promoting the establishment of those national parks, for the good of the country and of the tourist industry as well as for the safeguard of our wildlike. Thus we will be able to give to all our fellow-citizens, who are dying in the noise and who have to bear with air and water pollution, the opportunity to find occasionally retreats where they could forget their troubles and even political partisanship.

This is why I support Bill C-152 provided that it could be amended if need be.

In conclusion, I shall say that this bill is good and that I am ready to support it without any political partisanship. I thank once more our colleagues from the official opposition and especially the hon. member for Joliette who has said a good word in favour of the establishment of national parks at Pointe Forillon and in the St. Maurice valley in the province of Quebec and who is willing to approve the fatest and most generous agreement possible between the two governments.

[*English*]

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, my comments on Bill C-152 will be very brief. My purpose in speaking is merely to indicate to the government that rather than form Crown corporations they should try to establish interdepartmental and intergovernmental co-operation to create national parks in line with the development of regions which need employment opportunities, as indicated almost daily by various ministers.

First I should like to remind the Minister of Regional Economic Expansion (Mr. Marchand) and the Minister of Transport (Mr. Jamieson) to whom I listened recently on opposition day devoted to the debate on regional development, that both of them admitted it was very difficult to find employment opportunities where they are so badly needed in the Atlantic provinces. I admire them both for admitting they are not capable of doing it. But when they turn on members of this House, as they did in particular on the Newfoundland members, ask us to be patient and criticize us for not being able to come up with any constructive ideas to create the employment opportunities which are so badly needed, my answer to them emphasizes the readily available resource in Newfoundland, which is the national park resource with the greatest potential of all in Canada.

I will not quarrel with those of my colleagues who used the same standard in describing their own backyard parks in other parts of Canada. I will not even quarrel with one hon. member who spoke the other day about the creation of an underwater park. Before I answer both ministers I want to state emphatically and clearly that in my opinion the minister directly responsible for national parks has done everything I expected of him with regard to the park in which I am interested, that is, the Bonne Bay park in western Newfoundland.

The minister's sincerity is indicated in the fact that his department evidently put forward a strong enough case for the creation of a national park in Newfoundland when just over $2 million was allocated for future development in the estimates tabled a couple of weeks ago. This indicates very clearly that the department operates competently in regard to the establishment of a national park in Newfoundland.

I admire the work that has been done by the national parks branch, by all the ministers concerned, and even by the Parliamentary Secretary who is here tonight. If I may repeat the words of some members of the department, the Bonne Bay area is so exciting that it could become the most beautiful park in the whole of North America. They said they are ready to go ahead if the province of Newfoundland will turn over the necessary land which is designed to bound the vast park area. This is what I mean by intergovernmental co-operation.

• (9:40 p.m.)

The Minister of Regional Economic Expansion wants some ideas to create employment opportunities. Here is an idea, right under his nose, which will create 100 jobs as soon as the snow clears and I daresay, as a conservative guess, an additional 500 jobs directly or indirectly with the ancillary development of roads and commercial service industry which will automatically be developed with the park.

The Minister of Transport (Mr. Jamieson) asks us to be patient. How patient can one be, Mr. Speaker? We wasted five years waiting patiently for a FRED program at a cost of $400,000, which was presented to this department and scrapped because, as the minister

said in this House, it was not acceptable. The people of Newfoundland, all half million of them, all the individuals whom the Minister of Regional Economic Expansion asked to become involved in planning and who now do not even know what is going on, agree that the creation of the Bonne Bay park will develop the east coast—even the whole of Newfoundland—and will bring millions of dollars annually into the economy.

I say to the Minister of Transport: Show us your sincerity in the province you represent. Pound some sense into the heads of your colleagues in the provincial government so that the land may be turned over and we can develop the natural beauty which exists for the enjoyment, not only of Canadians but all North Americans who will flock to our province, bring in the needed dollars and create the employment opportunities which you are looking for. Here are 600 jobs, I say to you, Mr. Minister of Regional Economic Expansion. You wanted some concrete ideas: What is wrong with that one?

I have many more ideas for the minister when the appropriate subjects arise in the House, or if he wants to get some advice. I have also many ideas for the Minister of Transport. But I say to them: Don't camouflage the facts with balderdash in this House of Commons. Let us see some of the involvement you have been talking about for the last two years. Let us see some sincerity, I say to the Minister of Transport: Get the people concerned to produce the correspondence that I asked for over a year ago, which they refused to table in this House, with regard to the national park. The minister must know why this was done. Let him show some sincerity and tell us the reasons for withholding the natural development opportunity that is denied our people. What is the tale of woe of the silica mine potential in the area, which the province uses as an excuse for the delay? The silica mine potential and its delay indicates to me and all the experts that the development is being handicapped by one main faction—those who are against the principle of park development.

I challenge these ministers, who are so ready to camouflaging the truth, to show a little sincerity for a change, for the good of the people for whom they are supposed to be working. But don't give me the baloney about the opposition not coming up with ideas. If I may use the words of your experts in the department, they are:

> The keystone to progress in setting up an adequate national parks system lies in close liaison between the federal and provincial government. ... The National Parks Act lays down that the two levels of government must first reach an agreement on the choice of land to be made into a park. Then it is up to the province to reserve this land and assign it to the federal government. Ottawa will then take the responsibility for development costs.

This is stated by your own National Parks Branch. There is an idea, I say to the Minister of Regional Economic Expansion.

I will say just a word about this business of Crown corporations and its relationship to sincerity and pledges by the government. What kind of empty words are these, Mr. Speaker? The Minister of Northern Affairs stated in October, 1968, that the federal government would maintain a concept for Canada's national parks and would reject all proposals that threatened to undermine this concept. National parks are a national domain set aside by the Parliament of Canada for all the people. The Minister of Indian Affairs said:

> The natural beauty of Canada is a fundamental part of this country's national heritage.

The first Commissioner of National Parks, J. B. Harkin, said that national parks meant a new declaration of rights for people to share in the use and enjoyment of the noblest regions of the country. He also said that it was the duty of a nation to guard its treasures of art and natural beauty for generations to come. The preamble to the National Parks Act of 1930 says—this was mentioned tonight by the hon. member for Hillsborough (Mr. Macquarrie) but I think it is worth repeating:

> The parks are hereby dedicated to the people of Canada, for their benefit, education and enjoyment ... and such parks will be maintained and made use of so as to leave them unimpaired for the enjoyment of generations to come.

These words evidently mean nothing to the government. If it is ready to hand over its responsibilities to a corporation, it indicates nothing more than a breach of faith with the people. Members of the government are only admitting they are not capable of governing the country and are passing the responsibility on to a corporation. Let the government show a little common sense instead of running away from problems. Let it live up to its responsibilities.

Mr. J. H. Horner (Crowfoot): Mr. Speaker, on rising once again to take part in this debate I do so with some hesitation because

of the government's unwillingness to listen to the concern expressed by people interested in the national parks, or even to the concern expressed by members of the Liberal Party from the province of Alberta, not to mention that expressed by opposition members, particularly those who have national parks in their constituencies or close to them. I am very pleased to see both the Minister of Agriculture (Mr. Olson) and the Minister of Fisheries (Mr. Davis) in their seats. A short time ago there was no minister in the House. The suggestion may be made that this was not so, but I am sure evidence can be produced to support the statement I am making.

The bill which we are considering proposes to set up a leaseholding corporation which will manage, maintain and develop the national parks of Canada. I would like to ask this question of the Parliamentary Secretary, who has dutifully remained in the House throughout the debate on the bill: How will the corporation get started on developing the national parks of Canada? How much money will Parliament grant, award or give it to get started? How much money will we have to appropriate for starting this corporation? Let me put it another way. Does it need any money at all?

We should be told these facts before we agree to the establishment of the corporation. We should be told how much money is involved. If no money is involved, we should be told whether the 42-year leases will return money so quickly that the corporation will be self-sustaining. This is the essential question we must consider in connection with the proliferation of Crown corporations such as we have seen in recent months.

Can we expect the Crown corporation to grow so quickly that immediately on its conception, immediately on its birth it can take hold and pay its own way; that it can manage, maintain and develop—I emphasize the word "develop"—the national parks of Canada? I am saying this with full recognition that the bill proposes the establishment of a number of new parks. Even before the bill was introduced we knew there would be new parks established, one in Quebec, possibly one in Newfoundland, and so on across the country. Certainly there should be one in Ontario, and more development of the ones presently in Alberta. Surely we should be told how the corporation is going to get off the ground. Is it going to get off the ground from the taxation on the 42-year leases, or from the appropriation of moneys by the government toward the development of these parks?

[Mr. Horner.]

Does the government really believe—it has not indicated whether it does—that the national parks must be developed at an accelerated rate in order to keep pace with the tourist industry in this country? I say that with all the emphasis possible because, as I mentioned in an earlier speech in this House—and I am sure other hon. members have also mentioned it—the tourist industry in the province of Alberta is ranking the second or third industry in that province; it is a major industry. We cannot afford to neglect it. This fact is true of all of Canada.

• (9:50 p.m.)

As we see our balance of payments and our trade deficit, we realize the strength and value of the contribution of the tourist industry to the economy of Canada. We cannot lightly disregard the servicing industry required to support the tourist industry alone. It must be flexible and willing to move with every whim and wham of the tourist industry. Surely members of this House realize that a tourist is one who comes to our country from another, or comes to one part of Canada from another and says, "I am prepared to spend money to see this area but I want services". He is prepared to spend money when he leaves home, and wants to enjoy the services and pleasures of this great country.

Can a Crown corporation, granted no appropriations from this government, be flexible enough to meet the wishes and demands of the tourist industry? I am doubtful if it can, Mr. Speaker. I see the Parliamentary Secretary nodding in agreement with my last statement, so he too is doubtful. Before this debate closes—I would like to think it will close tonight but if not, it will have to carry on tomorrow—I would like him to say that this Crown corporation will not be asked to start from nothing or from the taxation of the people now living in the parks; that it will be given the money to meet the demands of the tourist industry. Then we might better judge the intent and the willingness of the Crown corporation to manage, maintain and develop the national parks.

We have seen no evidence on the government side which would suggest that it is prepared to encourage the Crown corporation to properly manage and meet the demands of

the tourist industry, to develop the services that the tourist industry requires. With regard to one national park in Alberta, Buffalo National Park up north, the tourist industry does not demand too many services, and if you want to you can hunt bear and buffalo, do some fishing or even see raw nature in all its greatness. That does not cost too much for service industry. But if you want to go into the Rocky Mountains west of Calgary, or into the Banff and Jasper areas, one can readily envisage the tremendous desires and needs of the tourist industry.

A tourist does not come to Canada, or even come from eastern Canada to Banff, Watertown or Jasper and say, "I would like to have these services". He has spent "x" amount of dollars to move to that area for two or three weeks, and he demands services. What evidence have we, before we pass this bill, that the Crown corporation is prepared to meet the demands of the tourist industry?

It may well be said by the Parliamentary Secretary that this question can be dealt with in committee. But I have a suspicious mind with regard to this legislation, and I come by it honestly because I have seen strife and problems in the national parks, concern and agitation by the citizens with regard to their leases and their ability to give service to the tourist industry.

I ask the Parliamentary Secretary if the citizens of Banff, Jasper and Waterton are to have an opportunity to appear before the committee to present their version of their responsibility and their concept of what the Crown corporation should be doing in providing services. I ask the question in all seriousness because too often this government has ridden slipshod over the wishes of the citizens and the concern of the taxpayers. A question that must enter many minds is: How can you have taxation without representation? Lest anybody believe there is no taxation in the national parks, I should like to read a letter on that subject. In view of the time, Mr. Speaker, I hesitate to begin reading this letter because it deals with the question at length, suggests that land assessment has increased 500 per cent and that the increase in taxes would be 1,875 per cent.

Surely we cannot lightly pass this piece of legislation, saying that we will give the jurisdiction and control of this vast area to a Crown corporation, without paying attention to the citizens being taxed. Surely if there is one principle we believe in, it is representative government, responsible government. We believe in representation with taxation, but this bill does not provide that.

Mr. Speaker, may I call it ten o'clock?

PROCEEDINGS ON ADJOURNMENT MOTION

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

NATIONAL DEFENCE—SAINT JOHN, N.B.—LACK OF INFANTRY IN MILITIA

Mr. Thomas M. Bell (Saint John-Lancaster): Mr. Speaker, I appreciate the fact that the Minister of National Defence (Mr. Cadieux) and the Parliamentary Secretary cooperated so that I could bring this matter on this evening even though I asked the question only today. The question was: Has the minister received the brief that has been forwarded to many persons with respect to the lack of an infantry presence, an infantry component, in Saint John, New Brunswick? This brief was prepared by an advisory board of militia officers from New Brunswick who, I believe, have some official position. While I recognize that it might not be possible to get a great deal of information by tonight, I should like to take this opportunity to outline what I had in mind when I asked the question.

It was only last Christmas that defence cuts were made in the militia across the country. They were expected in many quarters. We had made up our minds in New Brunswick that after the various military reorganizations which were taking place there would be no further cuts. It was with great shock, therefore, that we received the worst news possible, that the infrantry component, as military experts call it, would be completely taken out of Saint John, the largest population centre in the province and one with a very great military history.

• (10:00 p.m.)

I understand there is a possibility that companies of the existing infantry battalion in New Brunswick may be moved around. I hope the Parliamentary Secretary will take this matter under serious advisement, because it is expected that the cuts will not become fully effective until March 31 next. The Standing Committee on External Affairs and National Defence has already considered the

defence budget and has made suggestions about militia training. I am not an expert in that matter and do not want to talk about it; I am merely speaking as one who has taken part in debates on this question in this House.

There have been several reorganizations. Three or four of them have been of major proportions. Yet I frankly wonder what is in the minds of our military planners when they shuffle the various military units and companies around my province. Before coming here I took out my defence file, which is not very thick. Having thumbed through all the statements that Bill Lee made about unification of our forces, I came to a clipping which was issued in 1954 and said that one of our infantry regiments was to be moved from Fredericton to Saint John. I refer to the Carleton and York Regiment, one of our old, historic units. Now, 16 years later, we are told that the only company left in Saint John is to move back to Fredericton. Incidentally, they have no rifle company in Fredericton.

There are good reasons for retaining "B" Company in Saint John. It is not a weak company; it is the largest unit of the Saint John garrison which includes a considerable amount of artillery. The artillery unit is the third oldest in the commonwealth, according to the billing that is used. It is a strong company and includes young officers, experienced warrant officers and sergeants. Since the barracks have already been built, there should be no extra cost in connection with them. Having given this background, I hope the minister or his Parliamentary Secretary will give serious thought to the matter.

Saint John is a proud city and we have a great history of military tradition. When the Indians were running around eating pemmican, we were making fighting history in Saint John. We sent the 62nd Foot Regiment to the Northwest rebellion, and units to the South African war. As everybody knows, New Brunswick had the best record for enlistment in World War II. This claim has stood unchallenged over the years. Some people say unkindly, that our people enlisted because of the unemployment in the province brought on by various provincial, Liberal governments. I doubt that. I think we have a proud record of achievement and heeded the call of duty when there was need.

We are taking this matter very seriously. I hope the Parliamentary Secretary at least will put his heart and soul into this project to save our unit. This would give him a chance to forget his navy background, come in with the fighting boys and do something to encourage the people of this proud regiment.

Mr. D. W. Groos (Parliamentary Secretary to Minister of National Defence): Mr. Speaker, I am not quite sure what my hon. friend meant when he told me to forget about my naval background and show an interest in one of the fighting services. There were many occasions when the so-called fighting arm of the services, the army, was glad to have the navy around to put it on the beaches and take it off again. I say those words in jest, of course. I appreciate the hon. member's remarks and understand his interest, which I share, in the historic achievements of the regiment that comes from his district.

In reply to the question the hon. member addressed to the Minister of National Defence (Mr. Cadieux), I can only assure him that if representations have been received from the Military Advisory Committee of New Brunswick, they are now being considered and the hon. member will be advised later as to the outcome of this matter. If not, inasmuch as he has sent me a copy of those representations, I will personally see that they are placed in the hands of the minister. I am sure they will be considered quickly and that he will be advised of the outcome.

Motion agreed to and the House adjourned at 10.07 p.m.

HOUSE OF COMMONS

Wednesday, February 25, 1970

The House met at 2 p.m.

PRIVILEGE

MR. WOOLLIAMS—COMMENT ON OBSERVATION RESPECTING ROCKY MOUNTAIN RIDING VOTE

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I rise on a question of privilege in reference to a statement made by the hon. member for Calgary South yesterday afternoon in this chamber and to be found on page 4033 of *Hansard*. I take it that by his statement my integrity was impugned. I would have risen on a question of privilege at that time but I was absent from the chamber on other parliamentary business.

The hon. member for Calgary South said:

> The hon. member for Calgary North...added a new dimension to the debate when he noted that the hon. member for Rocky Mountain (Mr. Sulatycky)—as recorded at page 3429 of *Hansard*—had been elected with 30 per cent of the vote.

Then the hon. member for Calgary South said that this observation was not accurate.

The point I was making in my speech was that there were two Conservatives who ran against the hon. member for Rocky Mountain. I have checked the figures contained in the report of the Chief Electoral Officer on the 1968 twenty-eighth general election. There were 28,360 electors on the list. The hon. member for Rocky Mountain received 7,355 votes representing approximately 25.5 per cent of the voters on the voters' list.

Of the 28,360 only 19,654 voted, so that of the actual votes cast he received approximately 37.3 per cent. In brief, the Liberal member received far less than 30 per cent of the total number of eligible voters on the voters' list.

My question of privilege is that the impression was left by the hon. member for Calgary South that my facts and figures were totally inaccurate. I have always considered this to be a gentlemen's club and in the House I have always endeavoured to treat all members, particularly those from my city, as having the proper qualifications for that club.

Mr. Speaker: Order, please. In respect of the hon. member's suggestion that this is a question of privilege may I say that it may or may not be, but as no motion has been moved I suggest that the matter should not be pursued further. I should remind hon. members that there is a government order for the consideration of the House on which debate will be resumed in due course and at that time all members will have an opportunity to set the record straight if they think it is not straight now.

MR. SKOBERG—TYPE OF RETURNS TO ORDERS FOR PRODUCTION OF PAPERS

Mr. John L. Skoberg (Moose Jaw): Mr. Speaker, I rise on a question of privilege at this time. As recorded in *Votes and Proceedings* for Monday, February 23, returns to orders for production of papers Nos. 224 and 227 were laid upon the table. Upon receiving these returns I was extremely surprised, and, I might say, amazed to find a package of microfilm enclosed in a brown envelope with an accompanying official letter over the signature of the President of the Privy Council stating:

> The attached information has been received by the President of the Privy Council from the Department of Regional Economic Expansion.

• (2:10 p.m.)

I can and do appreciate the fact that Members of Parliament have offices, some large, some small, secretaries and typewriters, desks, chairs, filing cabinets, dictating equipment, telephones, bookcases and water coolers, but at the present time I cannot find room in my office at least to instal a projector to view these microfilms. I would ask, Mr. Speaker, that some determination be made concerning whether or not this is a proper response to a member's motions for the production of papers. I realize that the library no doubt could arrange a showing of the film, but this would not be much use to me in attempting to view it in my office.

If Your Honour should find that this is a legitimate question of privilege I am prepared to move that the method by which the returns to the orders for production of papers Nos. 224 and 227, dated February 20, 1970, were produced be referred to the Standing Committee on Privileges and Elections. Until such time as you do rule, Mr. Speaker, I will hold that motion.

House of Commons

Mr. Speaker: Is the Secretary of State for External Affairs rising to contribute to the question of privilege raised by the hon. member for Moose Jaw? I was hoping he would. The hon. member for Moose Jaw has given notice of his proposed question of privilege as required by the Standing Order. Even though the hon. member's notice was somewhat sketchy and did not identify the returns to which he wished to take exception, I immediately suspected what he had in mind when I noticed the form of the returns to motions Nos. 224 and 227 standing in the name of the hon. member for Moose Jaw.

I am not sure whether the hon. member has a point of order or a point of privilege but certainly he has a point. The return presented by the department obviously is not in the conventional or traditional form. It seems to me that if a return is to be of any value to an hon. member it should be presented in a form that will convey to the member the information he is seeking and which the House has ordered he should receive. I suggest that this requirement is not met by the filing, by way of reply, of material which cannot be interpreted without the use of a mechanical device.

As of the present date there is not readily available to members the equipment required to print out the material contained on a film negative. I might say that even if such equipment were available it is still very doubtful that a return in the form now presented would be acceptable without a special order of the House or without a change in our rules.

It may be that at some time in the future the House will consider it expedient to provide for the submission of returns in this form, but this is looking into the future. For the moment I must rule that the return is not in proper form and does not comply with the order of the House.

HOUSE OF COMMONS

PRESENCE IN GALLERY OF SECRETARY GENERAL OF ORGANIZATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I rise to draw your attention and the attention of the House to the presence in the gallery of the Secretary General of the Organization for Economic Co-operation and Development, Mr. Van Lennep.

Some hon. Members: Hear, hear.

[Mr. Skoberg.]

ROUTINE PROCEEDINGS

THE BUDGET

ANNOUNCEMENT OF DATE OF PRESENTATION

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, I should like to inform the House that the budget will be presented on March 12.

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

INDIAN AFFAIRS—ANNUAL SALARY, DR. DAVID MUNRO

Question No. 29—**Mr. Howard (Skeena):**

1. What is the annual salary of Dr. David Munro, head of the new section on Indian consultation and negotiation group of the Department of Indian Affairs and Northern Development?

2. Who are the members of his staff, and what are their respective annual salaries?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): For a number of senior employees in the Indian Consultation and Negotiation Group their specific salaries are directly related to their individual performance.

The Government's policy regarding answers to questions concerning the salary of persons on performance pay is to indicate only the applicable salary range.

1. Dr. Munro's salary range is $23,000 to $29,000.

2. In establishing the Indian Consultation and Negotiation Group three divisions from the former Indian Affairs Branch complete with the employees in those divisions were transferred to the Indian Consultation and Negotiation Group. The three divisions are the Indian Eskimo Bureau, the Federal Provincial Relations Division, and the Policy and Planning Division.

The list below indicates the name of those employees plus two employees transferred from other sections within the department. They are:

Name	Salary range
J. W. Churchman	$21,000-$26,000
G. A. Yeates	$19,000-$23,000
C. I. Fairholm	$19,000-$23,000
W. D. Mills	$17,443-$19,820
L. L. Brown	$19,084-$21,687

The remaining employees are not under performance pay.

Name	Salary
G. E. Bell	$15,229
Mrs. M. Blanchard	$14,889
Mr. W. A. Gryba	$14,011
Mr. R. Moses	$14,304
Mr. R. W. Nablo	$18,260
Mr. C. F. Kerr	$15,229
Mr. H. G. Sprott	$14,304
Mr. W. J. Fox	$14,304
Mr. L. G. Smith	$11,637

In addition, approximately 37 persons are on Support Staff.

There are a number of vacancies and every effort is being made to fill as many positions as possible from the Indian population.

PRESS RELEASE BY IAN WATSON, M.P.

Question No. 567—**Mr. Nielsen:**

1. Was Press Release No. 63-69 dated July 7, 1969, by the Department of Transport entitled "Ian Watson, M.P., announces $250,000.00 St. Lawrence Seaway clean up for Mercier Bridge Approaches" printed at public expense and, if so (*a*) what was the cost of printing (*b*) how many copies were printed and what distribution was made of the copies?

2. Will similar press releases be printed at public expense when required for all Members of Parliament?

Mr. Gérard Loiselle (Parliamentary Secretary to Minister of Transport): 1. Yes. (a) $5.04; (b) 1,400 English copies, 400 French copies distributed to Members of Parliament, the news media and special publications.

2. No, except where the member makes an announcement on behalf of the Minister of Transport, suitable releases may be issued.

"YESTERDAY THE CHILDREN WERE DANCING"

Question No. 786—**Mr. Monteith:**

1. Was the production of the Stratford National Theatre of Canada entitled "Yesterday the Children were Dancing", written by Gratien Gelinas in French and which was to be presented in English by the Stratford Theatre at the National Arts Centre in February, 1970, cancelled and, if so, for what reason?

2. What was the actual reason for the dispute between the Actors' Equity Association of Toronto and l'Union des Artistes of Montreal, which brought about the cancellation of the above-mentioned play?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): I am informed by the National Arts Centre as follows: 1. Yes, for the reason explained in Part 2.

2. A dispute is at present in arbitration between Actors' Equity and l'Union des Artistes over the correct interpretation of agreements between the two unions dated 25 June 1965 and 27 January 1969 regarding jurisdiction over theatrical production given originally in one official language and subsequently in the other.

[*English*]

DISCUSSIONS RESPECTING NATIONAL SECURITIES COMMISSION

Question No. 795—**Mr. Lambert (Edmonton West):**

1. What stage has been reached in the discussions or negotiations with provincial authorities with a view to the establishment of a national securities commission or some similar body?

2. When were the last discussions with the Provinces of Ontario and Quebec on this subject and was any progress made?

3. When was the last general discussion with the other provinces and was any progress made as a result?

4. What are the chief points at issue remaining to be settled before general agreement may be reached?

5. Is any general conference of officials of all the interested parties scheduled or contemplated in the foreseeable future?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): 1. The establishment of a national securities commission or similar body was last formally discussed with the provinical authorities at a meeting of the Federal-Provincial Committee of Officials on Financial Institutions and Securities Regulation which was held on October 25, 1968.

2 and 3. The last discussions with the provincial authorities on this subject took place at the meeting referred to above. The meeting identified some of the basic issues that had to be resolved before agreement could be reached. These issues were the subject of careful study since the meeting and it is proposed to discuss the matter further with the provincial authorities very shortly.

4. The basic question that remains to be settled is the precise role that the federal government should have in the field of securities regulation in view of the involvement of the provinces in the field and having regard to the desirability of not unnecessarily duplicating regulation requirements.

5. As mentioned above, it is proposed to continue the discussions with the provincial authorities very shortly.

Questions

DEPARTMENT OF TRANSPORT—RADAR TRANSPONDER BEACON

Question No. 835—**Mr. McCleave:**

1. Has the Department of Transport carried out experiments with a buoy or buoys equipped with a radar transponder beacon and, if so, where and with what results?

2. Does the Department plan to equip present buoys with such beacons, and, if so, at what locations?

Mr. Gérard Loiselle (Parliamentary Secretary to Minister of Transport): 1. No.

2. This will depend on the results of tests which might be carried out in the future, on buoys.

HALIFAX HARBOUR—REMOVAL OF SAMBRO LIGHT VESSEL

Question No. 836—**Mr. McCleave:**

1. On what date was the *Sambro Light* vessel replaced by a light and whistle buoy outside Halifax Harbour?

2. Since that date (a) how many vessels and what number of lives have been lost in that vicinity (b) what are considered to be the causes of each tragedy?

3. Is the Department of Transport now considering to augment the present buoy with a radar transponder beacon, or to replace the buoy with a lighted pillar whistle buoy or float equipped with such beacon and, if so, when is it expected a decision will be reached and any action taken?

Mr. Gérard Loiselle (Parliamentary Secretary to Minister of Transport): 1. October 1, 1966.

2. (a) 4, 18; (b) stranding due to faulty navigation, two ships; stranding while outward bound in high wind and sea and attempting to anchor. Error in seamanship, one ship; collision with ship in company while outward bound, one ship.

3. Radar transponder beacons are under shore evaluation at this time. The results of the evaluation will determine their future application. No consideration is being given to change the type of buoy presently in position at this site.

BEAUCE CONSTITUENCY—FEDERAL ASSISTANCE IN CONSTRUCTION OF SCHOOL IN ST-JOSEPH

Question No. 855—**Mr. Rodrigue:**

Is the federal government contributing financially to the construction of the composite school in St-Joseph, constituency of Beauce and, if so, in what amount?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): No.

[Mr. Basford.]

FEDERAL ASSISTANCE TO CONSTRUCTION OF COMPOSITE SCHOOLS IN QUEBEC

Question No. 863—**Mr. Rodrigue:**

Is the Canadian Government contributing financially to the construction of the composite schools in St-Prosper, Beauce Constituency, East Angus, Compton Constituency, Ste-Rose d'Auteuil, Hull, Mont-Laurier and, if so, what will be the amount paid for each of these schools?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): St. Prosper, Beauce Constituency: No. East Angus, Compton Constituency: No. Ste-Rose d'Auteuil: No.

Hull: Comprehensive High School—the estimated federal contribution is $2,282,050.

Mont-Laurier: Comprehensive High School —the estimated federal contribution is $1,659,477.

INDIAN AFFAIRS PUBLICATIONS

Question No. 866—**Mr. Nesbitt:**

1. What was the cost of production of the publication "Indian Summer"?

2. (a) How many copies were produced (b) how many copies were distributed free of charge?

3. How many persons are employed in the Department of Indian Affairs and Northern Development whose responsibilities include the preparation of publications of this sort for general distribution?

4. What financial assistance are made available to persons who are not employees of the Department of Indian Affairs and Northern Development to assist in the preparation or production of materials depicting "the Indian way of life" in Canada?

Mr. Russell C. Honey (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): 1. See answer to Question No. 766.

2. (a) See answer to Question No. 766. (b) 3,150 English by this Department; 84 French by this Department.

3. Three.

4. None.

ROBERVAL, QUEBEC—FEDERAL ASSISTANCE IN CONSTRUCTION OF COMPOSITE SCHOOL

Question No. 912—**Mr. Lambert (Bellechasse):**

Has the federal government's financial contribution toward the construction of the composite school at Roberval been decided upon, and (a) if so, what is the amount (b) if not, what is the present status of negotiations with the local School Board?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): I am informed by the Departments of Manpower and

Immigration and Indian Affairs and Northern Development as follows: Yes; the federal government has approved a contribution estimated at $2,252,027, towards expenditures incurred in constructing the Comprehensive High School in Roberval, Quebec.

LANGUAGE SOUNDTRACK CONVERSION, NFB FILMS

Question No. 921—**Mr. Rose:**

1. What was the cost in each of the last five years of translating and converting soundtracks of National Film Board films into (a) English (b) French (c) other languages?

2. How much, percentage and total dollar amount, of National Film Board film production expenses for each of the last five years has been attributable to government department-commissioned films and other films?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): I am informed by the National Film Board as follows: 1.

	(a) English	(b) French	(c) Foreign Languages
1964-65	43,925	37,953	138,710
1965-66	27,092	81,830	119,171
1966-67	86,457	110,201	116,766
1967-68	16,713	76,477	101,085
1968-69	39,170	105,707	100,628

2. Government department-commissioned films and other audio-visual materials:

1964-65	$1,892,230	35.2%
1965-66	2,736,246	41.4%
1966-67	3,149,725	41.0%
1967-68	3,143,737	38.2%
1968-69	1,923,770	25.4%

[*English*]

USE OF LANGUAGE-DUBBED CANADIAN PROGRAMS BY CBC

Question No. 954—**Mr. Orlikow:**

Is the CBC giving consideration to using programs prepared by either its English or French networks or the alternative network through the use of language dubbing, since this would mean both substantial financial savings and much greater use of Canadian programs?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): I am informed by the CBC as follows:

Yes. There has been a regular exchange of program material since the beginning of television. In the limited cases where it offers positive advantages, dubbing has been and continues to be employed. Two recent examples are the series D'Iberville and Moi et l'Autre; the latter is being done on a limited and experimental basis. The whole range of potential exchange cooperation in cost sharing and program benefits is being explored more intensively in both information and entertainment programs.

[*English*]

TIME DEVOTED BY CBC TO CERTAIN CATEGORIES OF PROGRAMS

Question No. 955—**Mr. Orlikow:**

In each of the past five years, how much time in the peak viewing hours from 6:30 p.m. to 11:30 p.m. each day, has CBC nationally devoted to the following categories of programs prepared and produced in Canada (a) news and public affairs (b) drama (c) variety (d) light entertainment (e) opera and ballet?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): I am informed by the CBC that such figures have not been kept in the form requested. However, in recent years CBC Annual Reports have included an analysis of total network program content during a representative winter week.

[*English*]

CHARGES LAID UNDER INTERNATIONAL BOUNDARY WATERS TREATY ACT

Question No. 970—**Mr. Harding:**

1. For the years 1963, 1964, 1965, 1966, 1967, 1968 and 1969, how many charges were laid against individuals or companies by persons in the department responsible for the enforcement of the International Boundary Waters Treaty Act and Regulations regarding violations of the Act and Regulations dealing with pollution of waters?

2. How many of the above charges resulted in (a) convictions (b) dismissal of the charges (c) withdrawal of the charges?

Hon. Mitchell Sharp (Secretary of State for External Affairs): There is no provision in the Boundary Waters Treaty for laying charges in the sense set out in the question. However, under Sections 3 and 4 of this Treaty, any party or person claiming injury for any damage suffered from any water interference or other diversion within the meaning of Section 3, may seek redress through the Exchequer Court of Canada. To the knowledge of this Department, no such suit has been brought under this Treaty.

SALARY OF CYC FINANCIAL COMPTROLLER

Question No. 991—**Mr. Rose:**

What is the annual salary of the new financial Comptroller of the Company of Young Canadians, Mr. Max Mendelsohn?

Questions

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): The salary of the Comptroller of the Company of Young Canadians as fixed by Order in Council of December 19, 1969, is "$250. for each day spent by him in carrying out his duties."

[*English*]

AWARD OF MERIT, POST OFFICE DEPARTMENT

Question No. 993—**Mr. MacDonald (Egmont):**

Has the Post Office Department recently instituted an Award of Merit and, if so (a) when was it instituted (b) on what basis are awards made (c) who have been the recipients (d) what has been the cost of this programme (e) what does it hope to achieve through this programme?

Hon. Eric W. Kierans (Postmaster General and Minister of Communication): (a) The Post Office Department participates in the Merit Award Program of the Public Service of Canada which was established by Treasury Board in 1964. (b) The Award is for the purpose of recognizing exceptional contributions by an employee or group of employees, including significant and imaginative proposals over a period of time. (c) The department has to date presented Merit Awards to Messrs. F. Mills, J. Frey, E. Parama and P. Hitchinson. The value of the awards was $4,000. (d) Costs of recommending the award are borne by the department. Awards are paid out of public Service Commission appropriation. (e) Increased Post Office Department efficiency and effectiveness.

*PERSONS SPOTLIGHTED ON CBC MONTREAL FORUM HOCKEY TELECASTS

Question No. 999—**Mr. McCleave:**

Does CBC determine what individuals, apart from members of the teams, are spot lighted on telecasts of National Hockey League games from the Montreal Forum and, if not, who does?

Hon. Robert Stanbury (Minister without Portfolio): Mr. Speaker, the Secretary of State is informed by the Canadian Broadcasting Corporation that the television producer selects and directs all such coverage during game telecasts.

FINANCIAL CONTRIBUTIONS FOR CERTAIN QUEBEC COMPOSITE SCHOOLS

Question No. 1,008—**Mr. Godin:**

What will be the federal government's financial contribution to the construction of the following composite schools: Giffard, Lévis, Ste-Anne-des-Monts, Ste-Foy and Valleyfield?

[Mr. Rose.]

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): The federal government has approved contributions towards the constructing and equipping of secondary vocational schools in Giffard, Lévis, Ste-Foy and Valleyfield amounting to an estimated total of $3,847,566.20.

Submissions have recently been received requesting financial contributions for new comprehensive high schools in Ste-Anne-des-Monts, Giffard and Ste-Foy but these have not yet been approved.

MAXIMUM HORSEPOWER, AUTOMOBILES

Question No. 1,017—**Mr. Robinson:**

Will the federal government consider, in the interest of safety, that the maximum horsepower per weight of automobile and acceleration rate should be calculated at a reasonable and safe level for all motor vehicles especially the sports type?

Mr. Gérard Loiselle (Parliamentary Secretary to Minister of Transport): Consideration is being given to the relationship between safety and both minimum and maximum power-to-weight ratios for motor vehicles. A reasonably high power-to-weight ratio appears necessary to provide the acceleration required during passing and to avoid hazardous traffic situations. Excessive power-to-weight ratios may have equally undesirable characteristics.

INSTRUMENT LANDING SYSTEMS, DEER LAKE AIRPORT

Question No. 1,029—**Mr. Marshall:**

Are Instrument Landing Systems being provided at Deer Lake Airport and, if so, when is it expected that installation will be completed?

Mr. Gérard Loiselle (Parliamentary Secretary to Minister of Transport): An Instrument Landing System has been programmed for installation at the Deer Lake Airport but the date when this will be undertaken is subject to the availability of funds in future years.

COST OF CANADIAN DIPLOMATIC MISSION TO VATICAN

Question No. 1,040—**Mr. Nystrom:**

1. What is the anticipated cost of Canadian diplomatic recognition of the Vatican for 1970?

2. What is the breakdown of costs, income, expenses, etc?

Hon. Mitchell Sharp (Secretary of State for External Affairs): 1. $175,000.

2.

(a) Salaries and allowances	$105,000
(b) Transportation and communications	8,000
(c) Rentals and property maintenance	35,000
(d) Utilities	4,000
(e) Maintenance of furnishings and equipment	6,000
(f) Miscellaneous expenses (materials and supplies, etc.)	17,000
Total	$175,000

PENITENTIARIES—COST OF MAINTAINING INMATES

Question No. 1,068—**Mr. Orlikow:**

1. What was the average cost of maintaining one inmate during the years 1967, 1968, 1969 in (a) federal institutions of all types (b) maximum security institutions (c) medium security institutions (d) minimum security institutions (e) farm and work camps?

2. What is the cost of parole supervision per parolee for each of the years 1967, 1968, 1969?

Hon. G. J. McIlraith (Solicitor General): 1. Average annual cost of maintenance per inmate:

Type Institution	1966-67	1967-68	1968-69
a. All types	$4900.00	$5315.00	$6654.00
b. Maximum	4334.00	4632.00	5806.00
c. Medium	5539.00	6923.00	7700.00
d. Minimum*	3721.00	3944.00	5087.00

* Includes Work Camps.

Farm annex operation and maintenance costs are absorbed within the total costs of their parent institutions and are therefore not available as separated costs.

2. Costs of operation as averaged out for parole supervision per parolee:

Supervision	1966-67	1967-68	1968-69
Per parolee	$ 757.00	$ 802.00	$ 851.00

Note: These are approximations as costs do not take into account capital investment nor are they netted out to reflect inmate industries.

PENITENTIARIES—VOCATIONAL TRAINING AND INDUSTRIAL INSTRUCTORS

Question No. 1,073—**Mr. Orlikow:**

What qualifications are required by the vocational training instructors and industrial instructors who are employed by penitentiaries?

Hon. G. J. McIlraith (Solicitor General): Vocational training and industrial and maintenance instructors in the Canadian Penitentiary Service must possess at least a Grade 10 education, hold a journeyman certificate and have experience in the trade or specialty in which they are employed as instructors. Additionally, for vocational training instructors, those holding a teaching certificate are given priority in selection and are paid an allowance for such qualification.

PENITENTIARIES—SENIOR STAFF PERSONNEL

Question No. 1,085—**Mr. Orlikow:**

1. What are the qualifications of the present senior staff officials at the Prison for Women at Kingston?

2. Have any of the senior staff received training in the behavioural sciences (psychiatry, psychology, sociology, social work, education) and, if so, what degrees do they hold?

3. Do the senior staff responsible for operating our penitentiaries seek the advice of those with professional knowledge of methods of changing behaviour?

Hon. G. J. McIlraith (Solicitor General): 1. (a) Superintendent, J. D. Clark: High School graduation; partial Science Studies at University of Guelph; extra-mural University Courses in Psychology and Economics, extra-mural Psychiatric lectures in Human Behaviour; Method of Instruction Technique; Administration and Senior Officers Courses at Correctional Staff College. Thirteen and one-half years experience mainly in the area of treatment and training from 1956 under the supervision of M. Gauthier, Ph.D. in Psycology and later under S. M. Farrel, M.S.W., also at Kingston Penitentiary. Extensive experience during the past 13 years in close co-operation with Aftercare Agencies working for the rehabilitation of offenders. Promotion to Assistant Deputy Warden (Inmate Training) at Joyceville Institution, at which time, became responsible for the co-ordination of the Treatment and Training Program at the Medium Security Institution at Joyceville.

(b) Deputy Superintendent, E. E. Boyce: High School graduate; 15 years administration and supervisory experience in the R.C.A.F.; and six years ago appointed Deputy Superintendent of Prison for Women.

(c) Assistant Superintendent (Organization and Administration) M. J. Webb: Junior Matriculation, Grade 12, plus Business College Training, Penitentiary Officer's Training

Course in Business Administration. Approximately nine years Penitentiary Service from Stenographer to Assistant Superintendent.

(d) Assistant Superintendent (Services and Supplies) L. L. Burke: Junior Matriculation, Grade 12, Nurses' Training at Kingston General Hospital to Registered Nurse; Penitentiary Officer's Training Course in Business Administration; Personality and Behaviour Course, Institute of Psychology—1960. Thirty-one years Penitentiary Service from Correctional Officer to Assistant Superintendent.

2. Yes. The Superintendent and the Assistant Superintendent Services and Supplies; neither hold degrees.

3. Yes.

LIAISON WITH UNIVERSITIES ON FORMULATING PROGRAMS FOR STAFF TRAINING

Question No. 1,086—**Mr. Orlikow:**

Have the recommendations of the Archambault Report of 1938 and the Fauteux Report of 1956 in relation to establishing liaison with universities to formulate programs for staff training been followed and, if so, how is this put into practice?

Hon. G. J. McIlraith (Solicitor General): The recommendations of the Archambault Report of 1938 and the Fauteux Report of 1956 in relation to universities and programs for staff training are being followed, the implementation of which includes:

(a) Participation by staff members of the federal correctional services in the development of programs in criminology and other social sciences through direct liaison with university officials and as members of consulting boards of various organizations such as the Canadian Corrections Association and the Quebec Corrections Association.

(b) The grant of university scholarships (ten per annum) to students pursuing graduate or post-graduate studies in criminology or related fields, and who have signified their intention to apply for entry into the correctional field of the public service on completion of their studies.

(c) Authorization for up to 15 staff members of the correctional services per annum to be given leave of absence to pursue university training in criminology or other social sciences related to corrections at public expense.

(d) By arrangement, practical training in federal penal institutions for selected students in criminology of up to one day per week during their course of studies for which they may be granted university credits.

[Mr. McIlraith.]

(e) The engaging of university professors on a part-time employment basis for specialized work within federal penal institutions and, in turn, the engaging of professionally qualified correctional services officials by universities as part-time lecturers.

(f) The exchange of information with schools of criminology both in Canada and abroad.

(g) The sponsoring of research programs relating to corrections and corrections training programs; eight projects of this nature being sponsored with Canadian universities at the present time.

FEMALE TREATMENT STAFF, FEDERAL PENAL INSTITUTIONS

Question No. 1,089—**Mr. Orlikow:**

1. What proportion of staff in a federal penal institution for women is for treatment?

2. What are their positions?

3. How many female staff in the Penitentiary Service have professional training?

4. How many female staff have graduate training in the behavioural sciences?

Hon. G. J. McIlraith (Solicitor General): 1. Prison for Women, Kingston, 21 per cent; Matsqui Institution (Female Unit), 19 per cent; Average 20 per cent.

2. Positions: superintendent, deputy superintendent, recreational supervisor, teacher, arts and crafts instructor, vocational instructor (hair dressing), home economics instructor, sewing instructor, classification officer, chaplain, medical doctor, psychologist, psychiatrist. Total (both institutions), 40.

3. Professional training, female employees, 24.

4. Graduate training (behavioural sciences), female employees, 10.

KINGSTON ONT.—PRISON FOR WOMEN STAFF PROMOTIONS

Question No. 1,090—**Mr. Orlikow:**

1. How many of the correctional staff members have been promoted in the past six months in the Prison for Women at Kingston?

2. What are the *criteria* for promotion?

3. Is promotion of staff dependent on a progressive non-punitive attitude towards inmates?

4. Is promotion of staff dependent on efficiency in operating an institution?

Hon. G. J. McIlraith (Solicitor General): 1. None.

2. Qualifications requirements for appointment, or promotion, vary with each class and category of position and are set out accordingly in the job description of each position.

Promotion criteria are designed, in each case, to meet the qualification requirements of the position and take into account: (a) formal qualifications—specialized courses and general academic attainment. (b) demonstrated ability through in-job training. (c) efficiency in the performance of duty. (d) personal attributes and suitability. (e) satisfactory health standard. (f) experience.

3. As for 2.

4. As for 2.

BANK OF CANADA ADVANCES TO CHARTERED AND SAVINGS BANKS

Question No. 1,139—**Mr. Caouette:**

Since December 1, 1969, has the Bank of Canada granted advances to chartered banks and savings banks and, if so (a) to what banks (b) in what amount to each of those banks (c) at what interest rates?

Hon. E. J. Benson (Minister of Finance): (a) Because of the banker-client relationship involved, it has not been the practice of the Bank of Canada to publish the names of the banks who have taken advances.

(b) Between December 1, 1969 and February 12, 1970, the Bank of Canada published in statutory form 11 weekly statements of assets and liabilities at the close of business on Wednesdays. These returns recorded advances to chartered and savings banks (Asset item 4(c)) as follows:

Wed. December	3	$ 800,000
	10	Nil
	17	Nil
	24	Nil
	31	900,000
January	7	69,000,000
	14	Nil
	21	Nil
	28	Nil
February	4	Nil
	11	47,000,000

(c) The rate of interest charged on these advances was at the Bank rate of 8 per cent per annum.

*PURCHASE OF BOEING 707's AND DC8 JETS

Question No. 1,204—**Mr. Coates:**

1. On what date did the federal government enter into an agreement to purchase four Boeing 707's?

2. Have members of the Armed Forces been trained to operate Boeing 707's and, if so, on what date (a) was training initiated (b) will it be completed?

3. What was the agreed price for the purchase of the four Boeing 707's and on what date will delivery be made?

4. Were any negotiations carried out between the federal government and Air Canada relating to the purchase of DC8 Jets from Air Canada before a contract was entered into by the federal government and (a) if so, what was the result of such negotiations (b) if not, for what reason?

Mr. D. W. Groos (Parliamentary Secretary to Minister of National Defence): The answer to part 1 is February 12, 1970.

The answer to part 2 is that members of the Canadian forces commenced training at Boeing Seattle on 18 February, 1970, and it is anticipated that this initial training will be completed by May, 1970.

The answer to part 3 is that the total program cost for the four Boeing 707's for the Canadian forces is $55.9 million (Canadian funds) including training for air and ground crews, spare engines, spare parts, ground support equipment, ground maintenance support, and sales tax, with delivery to be made between 18 February and 12 March 1970.

The answer to part 4 is that negotiations were not carried out with Air Canada for the purchase of DC8 aircraft as it is understood that Air Canada has no DC8 aircraft of an appropriate configuration surplus to present requirements.

ATLANTIC PROVINCES—HIGHWAY CONSTRUCTION IN NATIONAL PARKS

Question No. 1,206—**Mr. MacLean:**

What is the estimated expenditure to be made by the federal government in the fiscal year 1970-71 for highway construction in national parks in each of the Atlantic Provinces?

Mr. Russell C. Honey (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Newfoundland, $40,000; Nova Scotia, $142,500; New Brunswick, Nil; Prince Edward Island, Nil.

GROS MORNE NATIONAL PARK—CONSTRUCTION OF HIGHWAYS

Question No. 1,216—**Mr. Marshall:**

1. Of the $1,971,000.00 allocated in the estimates for the fiscal year ending March 31, 1971 listed under future years requirements, phase 2, construction of new highway, Gros Morne National Park, what is the breakdown of locations of highways to be constructed?

2. Of the $40,000.00 under phase I, pre-engineering in the proposed estimates for 1970-71, what is the breakdown of the projects to be undertaken in Gros Morne National Park?

U.S. ABM Safeguard System

Mr. Russell C. Honey (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Newfoundland, $40,000.; the agreement to establish Gros Morne National Park the funds indicated in the estimates, for the next five years, have been allocated for: upgrading the existing highway (No. 73) to National Park standards from the proposed Park boundary (3 miles north of Wilton Dale) to St. Paul's plus about 4 miles from Cow Head to proposed north Park boundary. (Total distance of about 49 miles.) Additionally to construct about 20 miles of internal Park access roads to service Park facilities.

2. The sum indicated is for engineering surveys and design of the existing highway to National Park standards within the proposed boundaries of the Park.

QUESTION PASSED AS ORDER FOR RETURN

APPOINTMENTS OF WOMEN TO CERTAIN POSITIONS

Question No. 317—**Mr. Forrestall:**

1. In the period commencing April 23, 1968 and ending July 25, 1969, how many women have been appointed to a position or otherwise employed, other than under the provisions of section 8 and 9 of the Public Service Employment Act, by the government under conditions of remuneration equivalent to a salary of $10,000 or more per year.

2. Who are they?

3. By whom were they employed and what was the rank of their position?

4. How many men were appointed or otherwise employed under the same conditions during the same period of time?

Return tabled.

Mr. Carter: Mr. Speaker, I wonder if the House Leader can tell me when I may expect an answer to question No. 516, dated November 20. It is the second time I ask for an answer to that question.

Mr. Forest: We will make inquiries, Mr. Speaker.

MOTION TO ADJOURN UNDER S.O. 26

EXTERNAL AFFAIRS

EXPANSION OF U.S. ABM SAFEGUARD SYSTEM —NUCLEAR TESTING AND ARMAMENT ESCALATION

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I ask leave, seconded by the hon. member for York South (Mr. Lewis), to move the adjournment of the House under Standing Order 26 for the purpose of discussing a specific and important matter requiring urgent consideration, namely, the announcement by the United States Secretary of Defence yesterday regarding the expansion of the ABM Safeguard system and the need for Parliament to consider the effects on the Canada-United States joint air defence NORAD program and more particularly, the nuclear testing on Amchitka Island, the increasing danger of continued escalation in nuclear armaments and the potential dangers to the people and environment in Canada.

[Mr. Marshall.]

Mr. Speaker: The hon. member for Nanaimo-Cowichan-The Islands has given due notice under the provisions of Standing Order 26 of his intention to request leave to move the adjournment of the House for the purpose of discussing the very important matter stated by him. In the interim the Chair has given close and detailed study to the circumstances outlined in his notice.

• (2:20 p.m.)

As the hon. member is aware, the Chair is bound to review all attendant circumstances, and more particularly whether there will be an opportunity to discuss the matter during other proceedings of the House. I refer hon. members particularly to paragraph 5 of Standing Order 26 which reads in part as follows:

> In determining whether a matter should have urgent consideration, Mr. Speaker, shall have regard ...to the probability of the matter being brought before the House within reasonable time by other means.

It seems to me that there will be a number of such opportunities in the very near future. I suggest, therefore, that the Chair cannot put the hon. member's motion at this time.

[*Translation*]

MOTIONS FOR PAPERS

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, would you be so kind as to call notices of motions Nos. 214, 228, 229, 305, 312, 330 and 347.

I ask, Mr. Speaker, that the remaining notices of motions be allowed to stand.

[*English*]

WORLD DEMAND FOR AEROSPACE PRODUCTS

Motion No. 214—**Mr. Skoberg:**

That an Order of the House do issue for a copy of the consultant report by DNS Incorporated on the world demand for aerospace products undertaken for the Department of Industry, Trade and Commerce in the fiscal year 1965-66, as mentioned in answer to Question Number 1,323 of the past Session.

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the Minister of Industry, Trade and Commerce is willing to table copies of the published report which includes the entire material provided by the D.N.S. study. The minister wishes to advise the hon. member that the basic study was augmented by additional information prepared by officers of the former Department of Industry.

Mr. Speaker: Subject to the reservations or conditions expressed by the Parliamentary Secretary, is it the pleasure of the House that Motion No. 214 be deemed to have been adopted?

Some hon. Members: Agreed.

Motion agreed to.

INDUSTRIAL PUBLIC RELATIONS STUDY

Motion No. 228—**Mr. Skoberg:**

That an Order of the House do issue for a copy of the consultant report by Public Industrial Relations Limited, a public relations study, undertaken for the Department of Labour in the fiscal year 1968-69, as mentioned in answer to Question Number 1,323 of the past Session.

Mr. Macdonald (Rosedale): Stand, Mr. Speaker.

Mr. Speaker: Stand.

PUBLIC OPINION SURVEY FOR DEPARTMENT OF LABOUR

Motion No. 229—**Mr. Skoberg:**

That an Order of the House do issue for a copy of the consultant report by Canadian Facts Company Limited, on a public opinion survey undertaken for the Department of Labour in the fiscal year 1968-69, as mentioned in answer to Question Number 1,323 of the past Session.

Mr. Macdonald (Rosedale): Stand, Mr. Speaker.

Mr. Speaker: Stand.

REPORT ON NATIONAL FILM BOARD

Motion No. 305—**Mr. Orlikow:**

That an Order of the House do issue for a copy of the report on the National Film Board referred to by the Secretary of State and reported in *Hansard* of December 15, 1969 on page 1964.

Hon. Robert Stanbury (Minister without Portfolio): Mr. Speaker, the report referred to in the motion was given verbally in discussion with officials of the National Film Board, and in view of the fact that there is no written report perhaps the hon. member would withdraw his motion.

Mr. Orlikow: Agreed.

Mr. Speaker: The motion is dropped.

Order discharged and motion withdrawn.

SAUMIER REVIEW OF FILM BOARD

Motion No. 312—**Mr. Orlikow:**

That an Order of the House do issue for a copy of the review on the National Film Board undertaken by Mr. André Saumier for the Secretary of State.

Hon. Robert Stanbury (Minister without Portfolio): Mr. Speaker, since this report on the National Film Board by Mr. André Saumier was tabled on January 22 last in the House I believe the hon. member would want to withdraw his motion.

Mr. Orlikow: Agreed.

Mr. Speaker: The motion is dropped.

Order discharged and motion withdrawn.

ARCTIC DEEP-SEA PORT

Motion No. 330—**Mr. Thomson:**

That an Order of the House do issue for a copy of the feasibility study undertaken in the Department of Transport regarding a deep-sea harbour port in the Arctic.

Mr. Speaker: The hon. member for Battleford-Kindersley.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I move it on his behalf.

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, there is an engineering feasibility study being undertaken by the Department of Public Works and not the Department of Transport for a marine oil terminal at Herschel Island, and which has been approved by

Treasury Board. It is assumed that this is the study referred to in this motion. I am informed that this study has just commenced and will not be completed for at least 18 months, and I would therefore ask the member to withdraw his motion.

Mr. Knowles (Winnipeg North Centre): I take it it is a good idea to have it withdrawn, and the hon. member can put down the motion in other terms later.

Mr. Speaker: The motion is dropped.

Order discharged and motion withdrawn.

CORRESPONDENCE WITH GOVERNMENT OF CZECHOSLOVAKIA REGARDING FARM MACHINERY

Motion No. 347—**Mr. Gleave:**

That an humble Address be presented to His Excellency praying that he will cause to be laid before this House copies of all correspondence, etc., between the Government of Canada and the Government of Czechoslovakia regarding farm machinery as referred to by the Minister of Agriculture and reported in *Hansard* of January 19, 1970 at page 2530.

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, we have searched the departmental records in Canada and the records of our embassy in Prague and we have not found any correspondence or memoranda of the kind referred to in this motion.

Mr. Speaker: The motion is dropped.

Order discharged and motion withdrawn.

Mr. Speaker: Shall the remaining notices of motions stand?

Mr. Barnett: Mr. Speaker, I would like to rise, as I have done before, with reference to Motion No. 80 in my name which has to do with the production of certain correspondence on anti-pollution regulations, and on this occasion I would like to draw it particularly to the attention of the Minister of Transport because the subject matter is now very much to the fore in light of developments since October 23 when this motion was put on the Order Paper.

Mr. Stanfield: I should like to ask when the motion standing in my name, No. 306, is going to be brought forward. It is dated December 17, 1969, and has reference to the material received by the government in response to the request from the Minister of Finance for opinions regarding his white paper on taxation proposals. It may be, of course, that the Minister of Finance intends to file it as material associated with the budget that he intends to present on March 12.

Mr. Benson: Mr. Speaker, I will look into this. As a matter of fact, I had discussed it with my department officials.

Mr. Skoberg: Mr. Speaker, I should to ask about motion No. 32, put on the Order Paper on October 23, in regard to the functions and responsibilities of the Department of Transport and the reorganization of that department. I wonder when I may expect a reply.

Mr. Speaker: Perhaps the hon. member's question will be looked into by someone on behalf of the government. For the moment I will ask the House whether the other motions shall stand.

Some hon. Members: Agreed.

ORAL QUESTION PERIOD

EXTERNAL AFFAIRS

SOUTH AFRICA—POLICY OF CANADIAN GOVERNMENT

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to direct a question to the Secretary of State for External Affairs. In view of the dissatisfaction expressed by the Prime Minister with regard to the government's policy toward South Africa, I should like to ask the Minister whether he can state what the policy is? Do we continue to condemn South Africa for its apartheid policies, do we continue to encourage trade with South Africa, or do we continue with both these policies?

Mr. Speaker: Order, please. I shall, of course, allow the Secretary of State for External Affairs to answer the question asked by the Leader of the Opposition, but I think I should take notice that the Leader of the Opposition is asking the minister to state the policy of the government. Perhaps the minister would give a short statement rather than a statement which would normally be made on motions.

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, as you have suggested, this is not the time for a statement on government policy on such a matter. There are other occasions and the particular occasion will be the tabling of the white paper on Canadian foreign policy.

Mr. Stanfield: A supplementary question, Mr. Speaker. Is the government of Canada seriously considering economic sanctions against the Union of South Africa?

Mr. Sharp: Mr. Speaker, the Leader of the Opposition will have to await the government's statement.

SOUTHERN AFRICA—ASSISTANCE TO COUNTRIES IN MAINTAINING INDEPENDENCE

Mr. R. Gordon L. Fairweather (Fundy-Royal): A supplementary question, Mr. Speaker. Will the government consider the chance to help maintain the independence of countries in southern Africa by making them a showcase of Canada's interest and concern by stepping up aid for their development and by exchanging diplomats, particularly with Zambia?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, it is the government's intention, as has been made known, to increase our appropriations for external aid, which I hope will be approved by Parliament, particularly for development. Africa is one of the areas in which we intend to have an increase. I will bear in mind the points made by the hon. gentleman.

INQUIRY AS TO WHITE PAPER

Hon. Robert L. Stanfield (Leader of the Opposition): I have a supplementary question, Mr. Speaker. Now that the Secretary of State for External Affairs has some doubt as to what the relations between Canada and the Union of South Africa are, can he give us an approximate date when we may expect the long-promised white paper on foreign policy?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, without answering the first part of the question, which was not a question but a remark, I have already said in the House on a number of occasions that we intend to table these papers, maybe one or several, before the end of the session.

An hon. Member: In October.

EXPANSION OF U.S. ABM SAFEGUARD SYSTEM —AMCHITKA NUCLEAR TEST—CONSULTATION WITH CANADIAN GOVERNMENT

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I should like to direct a question to the Secretary of State for External Affairs. In view of the statement yesterday in Washington by Defence Secretary Laird regarding the construction of four more missile bases, may I ask the minister if the Canadian government has been consulted regarding the increase in the ABM system, particularly with reference to the Sprint bases which will operate close to the Canadian border? Also, has the Canadian government been consulted with reference to the second underground nuclear test at Amchitka to try out the new Spartan missile?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, as I have said before in the House, the United States has made its decision on its own so far as I know—certainly not after any consultation with Canada. Similarly, the Soviet Union has just announced a program for the building of ABMs. This has also been done without consultation with us.

Mr. Douglas (Nanaimo-Cowichan-The Islands): A supplementary question, Mr. Speaker. Since two of the missile bases will be close to the Canadian border and since the Amchitka underground test could have very severe consequences for the Canadian people, is the Canadian government making any representations to Washington about either of these programs?

Mr. Sharp: Well, Mr. Speaker, I expect we shall be expressing some views from time to time on these questions. If we feel that there is any special reason, such as there was at the time of the first underground test at Amchitka when we felt our interests were especially affected, we will of course make special representations. As the hon. gentleman knows, it is the view of the Canadian government that these enormous expenditures on armaments are most undesirable, and we have been working hard in order to bring about progressive disarmament.

Mr. Douglas (Nanaimo-Cowichan-The Islands): A further supplementary question, Mr. Speaker. On February 2 the minister intimated that he had not then received from the United States government the results of the first tests at Amchitka. Has he now received the results of those tests and any information as to the extent of the new tests which, according to newspaper reports, are to be three times as large as the previous tests?

Mr. Sharp: No, Mr. Speaker, we have not yet received the information. I have had some intimations that it is not yet ready but that it

will be made available to us when it is. The next test, of course, is some years off, but before we agree to make representations or decide what sort of representations to make we would want to study the data from the first test most carefully.

Hon. Robert L. Stanfield (Leader of the Opposition): A supplementary question, Mr. Speaker. Is it the position of the government of Canada, since Canada is associated with the United States in mutual defence in a way it is not associated with the U.S.S.R., that Canada is entitled to be consulted with regard to measures taken to defend the continent?

Mr. Sharp: Mr. Speaker, the Canadian government is consulted by the United States on many matters involved in the alliances of which we are a member. We are consulted very closely about the NATO alliance and also on matters affecting NORAD. The particular installations being made now in the United States are purely for defensive purposes, for the defence of the United States. They may help to defend us, too.

Mr. Harold E. Winch (Vancouver East): A supplementary question, Mr. Speaker. In view of the minister's statement, should he not reconsider the necessity of expressing Canada's point of view on the installation of the ABMs? After all, these missiles are designed to shoot down enemy missiles over Canada and Canada will receive the fall-out.

Mr. Sharp: Mr. Speaker, I would rather have them shot down over our territory than have them land here.

Some hon. Members: Oh, oh!

Mr. Winch: They will be aimed at the United States and not at us.

Mr. Robert Simpson (Churchill): Mr. Speaker, may I direct a supplementary question to the Minister of National Defence. In view of reports to the effect that plans are under way to establish Canadian Armed Services units which will be stationed on several of our Arctic islands, is the minister in a position to enlighten the House or will he be making a statement on motions in the near future?

Mr. Speaker: Order, please. I doubt whether the hon. member's question is a supplementary. It may be a related question but the relation is a bit distant. Perhaps the hon. member might be given the opportunity in a moment to ask his question.

[Mr. Sharp.]

[*Translation*]

FINANCE

QUEBEC—REQUEST FOR REFUND OF $200 MILLION

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I have a question for the Prime Minister.

In the last few days, has he or has the Minister of Finance received a request from the Quebec government, specifically from the Quebec Premier or the Quebec Minister of Finance, for a meeting with the federal authorities this week in a new effort to obtain the $200 million?

Right Hon. P. E. Trudeau (Prime Minister): No, Mr. Speaker. As far as I know, neither the Minister of Finance nor I have received any request from the Quebec Finance Minister. However, if such a request has come without our being aware of it or if it should come some day, we would, without doubt, gladly meet with the Quebec government representative to explain that this amount of $200 million has been earmarked for a variety of purposes, and that Quebec's health insurance plan indicates that that province does not think its argument relating to health insurance is valid.

[*English*]

TAXATION

WHITE PAPER ON REFORM—CONFLICTING ESTIMATES OF INCREASED REVENUES

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, may I direct a question to the Minister of Finance. Why did the government refuse to make available to the government of Ontario as far back as December and as recently as February 2 the background and details in support of its estimate of the increased revenue which would result from the implementation of the white paper policies, and why did the minister's officials at the meeting of Friday last—

Mr. Speaker: Order, please. I hesitate to interrupt the hon. member, but perhaps he could rephrase the question because, as asked, it invites debate. Perhaps he might ask his question more directly.

Mr. Hees: Mr. Speaker, why has this information been refused and why did the minister's officials at the meeting of officials last Friday produce only part of the information that had been requested for the past two months?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, we have been trying to get together with the officials of Ontario for a long time but they have been postponing the meetings because they obviously know their figures are wrong.

Mr. Hees: Mr. Speaker, the officials and minister of Ontario have not tried to postpone the meetings. They have been trying to bring about the meetings. May I ask a supplementary question—

Mr. Speaker: Order, please. Before the hon. member asks a supplementary, may I say that what I tried to suggest a moment ago is correct as evidenced by the answer that was given. The hon. member asked a question which invited debate. The minister's reply was argumentative. I suggest to the hon. member that he ought to ask a question instead of presenting argument.

Mr. Hees: Mr. Speaker, I would not like to start a debate. May I ask a supplementary question. Is it not true that the minister's officials have known and admitted privately ever since December that the figures of the Ontario government in its projection are more accurate than those of the federal government, and that the federal government has been trying to cover this up for the last two months?

Mr. Benson: No, Mr. Speaker.

Mr. Hees: The answer is yes, Mr. Speaker. The minister had better get in touch with the Ontario officials and his own and find out what is going on.

Mr. Speaker: Those remarks will close the debate, please.

Mr. Hees: I think the minister had better get together with his boys to find out what is going on.

Some hon. Members: Order!

Mr. Speaker: Order, please. The hon. member for Churchill has a very important question to ask.

NATIONAL DEFENCE

REPORTED STATIONING OF ARMED FORCES UNITS ON ARCTIC ISLANDS

Mr. Robert Simpson (Churchill): Mr. Speaker, I have a question for the Minister of National Defence which I thought was supplementary to questions previously asked with respect to the defence of the North American continent. In view of reports to the effect that plans are under way to establish Canadian Armed Forces units which will be stationed on several of our Arctic islands, is the minister in a position to enlighten the House or will he be making a statement on motions in the near future?

Hon. Léo Cadieux (Minister of National Defence): Mr. Speaker, these reports in my view are premature.

An hon. Member: But accurate.

Mr. Danson: Mr. Speaker, I rise on a point of order that relates to a previous reply, after which I was not recognized, and affects all hon. members of the House who sit closer to the Skyline Hotel than to Your Honour. Whenever a questioner is ruled out of order, the microphone is cut off and we at this end of the chamber miss the interplay that goes on. As a result we miss 90 per cent of the remarks of the hon. member for Prince Edward-Hastings.

Mr. Hees: The hon. member missed a great exchange.

Mr. Speaker: Order, please.

Mr. Simpson: Mr. Speaker, may I direct a supplementary question to the Prime Minister. Although the Minister of National Defence said that the reports I alluded to are premature, is it not true that the Prime Minister made a statement last night to the effect that these units would be set up, as reported on this morning's radio news?

Mr. Speaker: Order, please. The hon. member's supplementary is obviously out of order. The hon. member cannot ask a minister to confirm or deny a statement in the form asked.

Mr. Simpson: On a point of order, Mr. Speaker, my question was directed to the Prime Minister, not to the Minister of National Defence.

Mr. Speaker: The hon. member is simply asking for confirmation or denial of a statement. Whether it is asked of the minister or the Prime Minister, it is equally out of order.

REQUEST FOR STATEMENT ON PLANNING OF ARCTIC EXERCISES

Mr. Harold E. Winch (Vancouver East): A supplementary question, Mr. Speaker. Will it be possible for the Minister of National

Defence in the near future to make an announcement as to the plannning for two exercises by the Canadian Armed Forces in the Arctic area this year

Hon Léo Cadieux (Minister of National Defence): Mr. Speaker, it is common practice whenever we do an exercise in the north, to advertise it.

Mr. Donald MacInnis (Cape Breton-East Richmond): I have a supplementary question for the Minister of Transport. Will the minister take this opportunity to explain to the House his own remarks with respect to a combined operation between the defence department and his own department with regard to protecting Canadian sovereignty in the north?

Mr. Speaker: If the Minister of Transport wanted to do that it would have to be done by way of a statement on motions.

DISCUSSIONS WITH UNITED STATES ON ARCTIC ABM INSTALLATIONS

Mr. J. Edward Broadbent (Oshawa-Whitby): A supplementary question, Mr. Speaker, to the Minister of National Defence. Are there discussions taking place between the government of Canada and the government of the United States as to whether ABMs should be installed at any time in the Arctic?

Hon. Léo Cadieux (Minister of National Defence): Not to my knowledge, Mr. Speaker.

EXPO 70

FINANCING OF APPEARANCE OF COLLINGWOOD COLLEGIATE BAND

Mr. P. V. Noble (Grey-Simcoe): I wish to direct my question to the Minister of National Revenue. Is the minister aware of the fact that the Collingwood Collegiate band will be a featured attraction at Expo 70 in Osaka, Japan, and is the only school band to be illustrated in the official guide for Expo 70? Would the minister use his good offices to facilitate the financing of this unique Canadian goodwill mission by endorsing a plan already submitted to his department?

Mr. Speaker: Order, please. I realize how important this suggestion is. I think the hon. member's question has to be considered as an earnest representation made by the hon. member and he has to assume it will be given earnest consideration by the minister concerned.

[Mr. Winch.]

ROYAL CANADIAN MOUNTED POLICE

DEPORTATION OF DESERTERS FROM U.S. ARMED FORCES—NATURE OF INQUIRY

Mr. David Lewis (York South): I want to address a question to the Solicitor General. Last Friday he announced that he intended to appoint a commissioner to inquire into the facts which are alleged to have occurred with respect to the improper deportation of three young Americans some weeks ago. Is the minister ready to announce the name of the commissioner, whether the commission is being appointed under the Inquiries Act and whether he intends to make certain the inquiry will be public?

Hon. G. J. McIlraith (Solicitor General): Mr. Speaker, I regret I am not able to announce the name of the commissioner yet. I hope to very soon. As to the other part of the question, the commission will be appointed under part II of the Inquiries Act. As to the suggestion that we make sure that the commission hearings be in public, I am not able to give a definitive answer at the moment because I am not sure whether that is a matter within the discretion of the commissioner.

Mr. Lewis: A supplementary question. Will the minister assure the House that as far as he and the government are concerned they wish the inquiry to be public?

Mr. McIlraith: Mr. Speaker, I want to consider that question because I would not want to be in the position of directing the commissioner if it is clear that it is a matter within his responsibility.

[*Translation*]

INQUIRY OF THE MINISTRY

Mr. Roland Godin (Portneuf): Mr. Speaker, I have a question for the Prime Minister.

In view of the renewed outbreak of bankruptcies in the country and in view of the fact that prominent people are to be found on the boards of directors of some of the bankrupt companies, could the Prime Minister tell the House whether or not he intends to send those people a note of appreciation for their contribution to the fight against inflation?

NATIONAL ARTS CENTRE

STATEMENT BY CHAIRMAN OF BOARD

Mr. Pierre de Bané (Matane): Mr. Speaker, I wish to ask the Prime Minister or the Secretary of State a question.

In view of the wholly unjustified statement by the chairman of the Canada Council on cultural accessibility, could the Prime Minister or the Secretary of State inform the House if Mr. Mercier will be asked to disown his statement publicly or failing this, to resign if things come to the worst?

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, the chairman of the board of trustees of the National Arts Centre—to be more exact—has already given the press explanations which are the equivalent, if not of a formal retractation, at least of the expression of a quite chastened personal opinion in respect of what he had inadvertently stated during a press conference.

Mr. André Fortin (Lotbinière): Mr. Speaker, a supplementary.

I would like to ask the Secretary of State if he can tell the House whether steps have been taken or contacts have been established between his department or a member of the cabinet and the person involved in connection with this statement?

Mr. Speaker: I think this question, as asked, is not in order.

[*English*]

NATIONAL PARKS

REPRESENTATIONS BY BANFF AND JASPER RESIDENTS ON BILL C-152

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I have a question for the Minister of Indian Affairs and Northern Development. Will the minister give an undertaking to the House that when Bill C-152 reaches the appropriate committee he will use his good offices to allow representatives of those living in Banff and Jasper Parks to appear before the committee to make representations?

Mr. Speaker: Order, please. I have some doubts about the question. The hon. member recognizes that this bill is presently before the House. It seems that it might not be quite in order to allow a question which relates to a debate that is currently before the House.

Mr. Nesbitt: On a point of order, Mr. Speaker, I appreciate Your Honour's suggestion and under normal circumstances I would completely agree with Your Honour. But since the minister has absented himself during the entire debate and has refused to come into the House, this is the only time I can ask the question.

Mr. Speaker: My understanding is that the debate has not been completed. Perhaps there will be opportunities in the course of the debate to ask the question.

[*Translation*]

Mr. Chrétien: On a question of privilege, Mr. Speaker.

Mr. Speaker: The minister on a question of privilege.

Mr. Chrétien: Mr. Speaker, the bill before the House is very well defended by the hon. member for Northumberland-Durham, my Parliamentary Secretary.

Some hon. Members: Hear, hear.

Mr. Chrétien: It is in keeping with the procedure for the Chairman of a committee to allow people to appear before a committee and, as a minister, I would not have any objection if some citizens from Banff were to give evidence before the committee.

Mr. Speaker: Order. I suggest there is no question of privilege.

[*English*]

DRUGS

INQUIRY AS TO REPORT OF LE DAIN COMMISSION—POLICY RESPECTING MARIJUANA

Mr. Eldon M. Woolliams (Calgary North): In the absence of the Minister of National Health and Welfare I will direct my question to the Prime Minister. In view of the serious social problems in reference to the misuse of non-medical drugs, will the Prime Minister advise us now when the Le Dain Commission will be reporting? Also, was the Minister of National Health and Welfare stating government policy in saying that there may be a question of a moratorium on marijuana?

Mr. Stanley Haidasz (Parliament Secretary to Minister of National Health and Welfare): Mr. Speaker, their report has not yet been received by the minister and no policy decision has been reached as far as this matter is concerned.

Mr. Woolliams: A supplementary question. I may have missed the first part of the answer. Can the Parliamentary Secretary advise us when the report may be forthcoming?

Mr. Haidasz: Mr. Speaker, the minister expects the report will be ready for him at the end of this month.

Inquiries of the Ministry

CANADIAN SOVEREIGNTY

RIGHT OF TANKERS TO PROCEED THROUGH NORTHWEST PASSAGE WITH ASSISTANCE OF FOREIGN ICEBREAKERS

Hon. Robert L. Stanfield (Leader of the Opposition): I would like to ask the Secretary of State for External Affairs a question arising out of the statement made yesterday by the Minister of Transport that an oil tanker proceeding through the Northwest Passage would not be given icebreaking assistance by Canada unless it complied with standards that Canada might lay down. I ask the minister whether it is the policy of the government of Canada to permit such tankers to proceed through this passage with the assistance of foreign icebreakers?

Hon. Mitchell Sharp (Secretary of State for External Affairs): As far as I know, Mr. Speaker, there are no foreign icebreakers that would be suitable to deal with the conditions found in the Canadian Arctic. This was demonstrated on the first voyage of the *Manhattan* and I know of no change since.

Mr. Stanfield: A supplementary question. Is it the policy of the government of Canada to permit tankers to proceed through the strait with the support of foreign icebreakers, whether or not the Secretary of State for External Affairs knows of their existence?

Mr. Sharp: That is another very hypothetical question.

Mr. Speaker: Order, please.

POLLUTION

SUGGESTED MORATORIUM ON SECOND TRIP OF "MANHATTAN" PENDING PASSAGE OF LEGISLATION AND REGULATIONS

Mr. Randolph Harding (Kootenay West): Mr. Speaker, I have a question which I should like to direct to the Prime Minister. Would the Prime Minister consider implementing a moratorium on the second trip of the *Manhattan* until the McTaggart-Cowan task force reports and adequate legislation and pollution regulations to protect Canadian interests fully have been drafted and passed by the House?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, as the House knows, it is the intention of the government to bring forward legislation to control shipping of this kind in order to prevent pollution in the north, if that is possible. Of course, even with the very best intentions pollution sometimes cannot be prevented. As the Minister of Transport has said, the necessary steps are being taken to ensure that the *Manhattan* is as safe as it can be.

Hon. Robert L. Stanfield (Leader of the Opposition): A supplementary question, Mr. Speaker. Has the Humble Oil Company or, indeed, any other oil company, yet been informed as to the regulations they will have to meet in order to be able to enter the strait?

Mr. Sharp: No, Mr. Speaker, but they will be.

Mr. Harding: A further supplementary question, Mr. Speaker, which I will direct to the Secretary of State for External Affairs. Will a moratorium be implemented until legislation containing safeguards has been passed by the House?

Mr. Speaker: Order. It seems to me that the hon. member is repeating the question that he asked in the first instance.

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I have a supplementary question. I wonder whether the minister or the government have given any thought to putting an all-Canadian ship through instead of the *Manhattan,* or is he in the arms of the United States?

Mr. Speaker: Order, please.

Mr. Paul Yewchuk (Athabasca): Mr. Speaker, I have a supplementary question for the Minister of Transport. I wonder whether the minister could indicate when the legislation which will set out the regulations will be before the House?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, as I indicated yesterday, we are moving forward with the legislation as rapidly as we can. If I may reiterate what I said yesterday, even though the legislation is not passed, the regulations which would flow from it will in fact be conveyed to the Humble Oil Company, and they will be obliged to agree to them before icebreaker assistance is provided.

Mr. Speaker: Order. I ask the co-operation of hon. members to move on to another subject.

INDIAN AFFAIRS

NORTHERN QUEBEC—TRANSFER OF JURISDICTION OVER ESKIMOS

Mr. Frank Howard (Skeena): Mr. Speaker, I should like to direct my question to the Minister of Indian Affairs and Northern Development. Has the minister received any communication, particularly from five Eskimo communities in Quebec, objecting to the proposal to transfer jurisdiction over them to the province of Quebec? If so, what is the minister going to do about these objections?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, I did receive the representations of those five Eskimos. They will contribute to a large extent to a more thorough study of the record, once the officials of the federal government and of the provincial government are back from their consultation tour in New Quebec.

[*English*]

Mr. Howard (Skeena): A supplementary question to the minister. Inasmuch as the representations were that the Eskimo people wanted the choice of government to be made by them, instead of having a government imposed on them, will the minister accede to their request?

[*Translation*]

Mr. Chrétien: Mr. Speaker, we have always kept since 1964 the same approach, namely that we intend to consult the Eskimos before acquiring any service from provincial authorities.

[*English*]

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I have a supplementary question for the minister. This is the second time in a few days that the minister has replied that there will be no transfer of jurisdiction without consultation with the Eskimo people. May I ask the minister specifically whether he will undertake here and now not to transfer jurisdiction without the consent of the Eskimo people?

Mr. Speaker: Order, please. The hon. member has himself indicated that he has asked this question before, and I doubt whether it would be in order to ask it again at this time.

Mr. Douglas (Nanaimo-Cowichan-The Islands): On a point of order, Mr. Speaker, I asked the question the other day and the minister rose to reply, but Your Honour will remember that you then passed on to another question and it was too late. Since the minister did rise to reply at that time I should like him to have an opportunity now to make it abundantly clear whether consent of the Eskimo people will be sought before there is any transfer of jurisdiction.

[*Translation*]

Mr. Chrétien: Mr. Speaker, I have always stated in the House that we intended to consult the Eskimo people and this is what we are doing presently.

[*English*]

Mr. Baldwin: A further supplementary question.

Mr. Speaker: Order. I suggest that there be no further supplementaries. We have very nearly run out of time and should pass on to another subject.

AIR TRANSPORT

IMPOSITION OF SURCHARGE BY SPANISH GOVERNMENT ON CANADIAN FLIGHTS

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, my question is for the Secretary of State for External Affairs. About ten days ago I asked the Minister of Transport about the surcharges imposed by the Spanish government on Canadian charter airlines that fly to Spain. I am wondering whether any report has been received in this connection since this action has had a very serious effect on Canadian carriers?

Hon. Mitchell Sharp (Secretary of State for External Affairs): No, Mr. Speaker, we have not yet received a report.

INDIAN AFFAIRS

HAY LAKES—ALLEGED MISUSE OF BAND FUNDS BY GOVERNMENT OFFICIALS

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I have a question for the Minister of Indian Affairs and Northern Development. Is the minister now able to give me an answer to a question that I have asked on several occasions in connection with alleged irregularities with respect to the spending of $100,000 of the funds of an Indian band in northern Alberta?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, I have not yet received any final

report on the matter. The officials of my department as well as those of the Auditor General's office are at present on the reservation. They will submit this report to me shortly but they have not yet completed their inquiry.

[*English*]

Mr. Baldwin: A further supplementary question, Mr. Speaker. In view of the fact that one of the allegations is that officials of the department persuaded the band council to sign blank resolutions and then filled them out as they saw fit—most improperly—would the minister not facilitate an inquiry into this matter by a parliamentary committee?

[*Translation*]

Mr. Chrétien: Before making a decision on that subject, Mr. Speaker, I am waiting to read the report of officials of my department who are to study this aspect of the question.

[*English*]

LABOUR RELATIONS

PROSPECTIVE STRIKE BY BELL CANADA FEMALE EMPLOYEES

Mr. Robert Muir (Cape Breton-The Sydneys): Mr. Speaker, my question is for the Minister of Labour. What steps is the minister's department taking in an effort to head off a strike by female employees of Bell Canada in Quebec and Ontario?

Hon. Bryce Mackasey (Minister of Labour): Mr. Speaker, there are many steps still to be proceeded with before a strike could take effect; for example, there is the conciliation board stage. I am very hopeful that there will be no strike within Bell by the female operators.

Mr. Muir (Cape Breton-The Sydneys): A supplementary question, Mr. Speaker. The minister referred to a conciliation board. In view of the fact that there have already been indications of a serious slowdown in telephone service, when will a decision be made regarding the appointment of a conciliation board?

Mr. Mackasey: As soon as possible, Mr. Speaker. The hon. member knows that both parties have the right to name people to the board, and I have been waiting to hear from them. The last word I had was that it was hoped that a settlement would be arrived at before a strike became necessary.

EXTERNAL AFFAIRS

PROPOSED INTERNATIONAL SALES TAX TO AID DEVELOPMENT

Mr. Bruce Howard (Okanagan Boundary): Mr. Speaker, I have a question for the Secretary of State for External Affairs. Is the government giving favourable consideration to a United Nations proposal that an international sales tax of one half per cent for development aid be applied on some luxury goods in Canada?

Mr. Speaker: Order, please. I have some doubt whether this question is in order. I am not sure whether it is a matter of urgency, but perhaps the minister might have a quick reply.

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, there is enough difficulty applying taxes in Canada for the Canadian Government—

Some hon. Members: Hear, hear!

Mr. Sharp: —for this government just as much as for all governments in Canada in the past, that it seems to me it would be very difficult to get universal acceptance for the idea of a world government applying another tax.

TAXATION

WHITE PAPER ON REFORM—CHANGES BEFORE PRESENTATION OF BUDGET

Mr. A. D. Hales (Wellington): Mr. Speaker, I direct my question to the Minister of Finance. Is it his intention to announce any changes or amendments to the white paper on tax reform before the budget is presented on March 12?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, my hon. friend will just have to wait and see.

EXTERNAL AFFAIRS

PROPOSED INTERNATIONAL CONFERENCE ON REFUGEES

Mr. R. Gordon L. Fairweather (Fundy-Royal): Mr. Speaker, I have a question for the Secretary of State for External Affairs. The minister may remember that I gave him notice of it. Has he considered the request made in a recent speech by the Israeli foreign minister urging that an international conference on refugees be convened; and has

Canada offered to convene such a conference as one way of solving part of the Middle East crisis?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Yes, Mr. Speaker, I have seen this suggestion and I read the speech of the Israeli foreign minister. I feel, as I think most people do who have been concerned with this problem, that it is impossible to isolate any one element of the dispute and try to settle it separately. Both sides have made it quite clear that it must be considered as a package.

THE CANADIAN ECONOMY

INFLATION—REPORTED RAPID INCREASE IN SALARIES AND BONUSES OF EXECUTIVES

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to either the Minister of Finance or the Minister of Consumer and Corporate Affairs. In view of the publication of a survey showing that the salaries and bonuses of executives are rising at a very rapid rate, much greater than any labour wage gains, may I ask whether the government will be asking members of the business community if this practice is consistent with their agreement to follow a policy of restraint on prices and salaries.

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, I take it that the question indicates that the NDP now support downward pressure on wages and incomes. Of course we are as anxious to have downward pressure on salary and wage demands as we are on prices.

INFLATION—TRUST COMPANY INTEREST RATE INCREASE ON DEPOSITS

Mr. Max Saltsman (Waterloo): I have a supplementary question for the Minister of Consumer and Corporate Affairs. In view of the minister's interest in downward pressures, is it his intention to ask the Royal Trust Company of Canada, which has just raised its interest rate on deposits to 9 per cent, to roll back this increase in the interest of curbing inflation?

Mr. Speaker: Order, please. The hon. member is making a suggestion to the minister. I do not think it is a proper question at this time.

Mr. Saltsman: Perhaps I might reword my question, Mr. Speaker, and ask the Minister of Finance whether it is his intention to urge the trust companies to roll back the increase they have just announced.

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, I presume my hon. friend is talking about interest paid on savings. The position in respect of borrowers, including the government of Canada, is that interest has to be paid to people who are saving money at a sufficient level to attract people's savings.

An hon. Member: A supplementary question—

Mr. Speaker: Order, please.

[*Translation*]

REGIONAL ECONOMIC EXPANSION

EAST ANGUS—PAYMENT OF GRANTS TO DOMTAR CORPORATION

Mr. Léonel Beaudoin (Richmond): I have a question for the Minister of Regional Economic Expansion.

Can he tell us whether his department has given subsidies to Domtar under the regional development incentives program so that the company will boost production in its mills in East Angus in the Eastern Townships?

Mr. Speaker: This question should go on the order paper.

[*English*]

HOUSING

SASKATCHEWAN—ADVANCEMENT OF PUBLIC WORKS PROGRAMS TO OFFSET DECREASE IN STARTS

Mr. S. J. Korchinski (Mackenzie): Mr Speaker, I should like to address a question to the heretofore unnoticed Minister of Public Works. In view of the fact that housing starts in Saskatchewan dropped from 430 in January of last year to 18 this year, and in view of the unemployment and economic situation there, is it the minister's intention to advance some of his public works programs in that province in order to help pick up the slack there as far as unemployment is concerned?

Mr. Speaker: Order, please. I have some doubt about the question, but perhaps the minister has a speedy response.

Hon. Arthur Laing (Minister of Public Works): Mr. Speaker, it would appear that the hon. member's question might better have been addressed to the minister in charge of

Central Mortgage and Housing Corporation. However, we have had discussions with the Premier of the province of Saskatchewan and have given him a list of our projects there. He has made representations to us that they be increased. There may be some additions by a number of departments in the present year.

Mr. Korchinski: I ask the minister whether he intends to advance his projected public works projects.

Mr. Laing: This is what we have in mind.

HARBOURS

COME-BY-CHANCE—PROVISION OF DOCKING FACILITIES FOR OIL REFINERY OPERATIONS

Mr. Walter C. Carter (St. John's West): Mr. Speaker, my question is directed to the Minister of Public Works. In his absence, on February 13 I asked the Minister of Finance whether a feasibility study had been conducted into the Come-By-Chance oil refinery operation. I ask the Minister of Public Works whether the application by the company for a substantial loan to provide docking facilities was rejected on the basis of a feasibility study and, if not, what was the basis of this refusal?

Hon. Arthur Laing (Minister of Public Works): Mr. Speaker, I think further representations have now been made by the private company and are currently being discussed by us.

Mr. Speaker: Orders of the day.

BUSINESS OF THE HOUSE

Mr. McKinley: Mr. Speaker, I rise on a point of order. I wonder if I might be allowed to direct a question to the government House leader regarding House business.

Mr. Speaker: Order, please. The hon. member wishes to ask a question of the government House leader about the business of the House. I have no objection to this, if there is consent. I should mention to hon. members that I am again somewhat distressed that so many of our colleagues have not had an opportunity to ask questions. I try from day to day to perhaps give priority to frontbenchers and then recognize members in the back rows. This may be a policy which should be changed in the future.

Some hon. Members: Hear, hear!

Mr. Speaker: I think this practice will have to be changed unless the Chair receives more co-operation from the front benches of the parties on both sides of the House. Is the Leader of the Opposition rising on a question of privilege?

Mr. Stanfield: I am so anxious to co-operate with Your Honour and my colleagues that I am going to absent myself from the House for two or three days.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please. The hon. member will be missed. I gather that the hon. member for Huron wishes to ask a question about the business of the House. I am sure there will be agreement to allow him to ask the question, and for the President of the Privy Council to reply.

Mr. McKinley: Thank you, Mr. Speaker. I wonder whether the government House leader can say whether it is possible to bring item No. 74 before the House either today or tomorrow in order that Your Honour can make a ruling on the proposed amendment and subamendment. I think this matter is urgent in view of the necessity for the government to announce a dairy policy before the start of the dairy year.

Mr. Macdonald (Rosedale): Mr. Speaker, with regard to your previous remarks, it was in the interest of getting more time for questions that we arranged to remove some frontbenchers from the House under the roster system. With regard to the hon. member's question about the business for today and tomorrow—

Mr. Baldwin: At the next election we will remove some more.

Mr. Macdonald (Rosedale): The hon. member will be removed even farther into obscurity. Perhaps the hon. member for Huron would like to remove his House leader right now because the business for today and tomorrow was arranged after consultation with him and I do not think we should change it now.

CANADIAN BROADCASTING CORPORATION

ELIMINATION OF STATIONS IN REMOTE AREAS

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, could I have the unanimous consent of the House to ask the Secretary of

State whether he can respond to two questions which were taken as notice? One was taken as notice yesterday, and I understand he has an answer ready. I was not able to get the floor during the question period.

Some hon. Members: Agreed.

Mr. Speaker: Order, please. I understand there is unanimous agreement. I wonder whether the hon. member might be allowed to ask this one question for which I understand a reply has been prepared.

Some hon. Members: Agreed.

Mr. Lundrigan: Mr. Speaker, perhaps the Secretary of State would like me to repeat the question. It was in connection with the phase-out of CBC stations on the east coast of Canada.

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, I inquired and the first answer I received was that there was no such intention.

• (3:10 p.m.)

GOVERNMENT ORDERS

DEEP SEA FISHERIES ACT

PROVISION FOR REPEAL

On the order: Government Orders.

Report stage of Bill C-133, An act to repeal the Deep Sea Fisheries Act, as reported (without amendment) from the Standing Committee on Fisheries and Forestry—the Minister of Fisheries and Forestry.

Mr. Speaker: The hon. member for Gander-Twillingate (Mr. Lundrigan) on a point of order.

Mr. Lundrigan: Mr. Speaker, I should like to ask the Minister of Fisheries (Mr. Davis) if he and the House leader would be in agreement to having Government Order No. 56 called. This is one of the fisheries bills which I understand is to be considered by the House. I can assure the House leader that we are very anxious to get this piece of legislation through the House today.

Mr. Macdonald (Rosedale): I think we should stick to the business as announced, Mr. Speaker.

The House proceeded to the consideration of Bill C-133, to repeal the Deep Sea Fisheries Act, as reported (without amendment) from the Standing Committee on Fisheries and Forestry.

Hon. Jack Davis (Minister of Fisheries and Forestry) moved that Bill C-133, to repeal the Deep Sea Fisheries Act, as reported (without amendment), from the Standing Committee on Fisheries and Forestry, be concurred in.

Motion agreed to.

Mr. Davis moved that the bill be read the third time and do pass.

Mr. Speaker: Is the hon. member for South Shore (Mr. Crouse) rising on a point of order?

Mr. Lloyd R. Crouse (South Shore): No, Mr. Speaker. I am rising to speak on this measure, unless the minister wishes to make a statement first.

Mr. Davis: No, Mr. Speaker. We covered this matter thoroughly in the committee. If other members have anything to say on the matter, I would prefer to hear them first.

Mr. Crouse: Mr. Speaker, I had hoped the Minister of Fisheries (Mr. Davis) would give a further explanation relative to Bill C-133, to repeal the deep Sea Fisheries Act. Since he has declined to do so at this time, and since this measure affects 10,754 east coast fishermen, there are a few comments I should like to make on third reading.

Every action of this government, in view of its wasteful and extravagant policies, is open to question. I believe the true purpose of this bill, despite the harmless-sounding words in the explanatory note, is to convert to the government's private purposes trust funds that were set up for the use and benefit of the deep sea fishermen of the Maritime provinces and Quebec.

The history preceding the establishment of this trust fund goes back at least to the war of 1812. It is a history of plundering by United States fishermen of the deep sea fisheries of the Maritime provinces, Newfoundland and Quebec. It is also a history of their excursions into the waters of the provinces and their so-called right to land, to dry and to cure their catch and come into the ports of those provinces for bait and supplies. Blood was spilled by maritimers, Quebeckers and Newfoundlanders in those days, in defence of their sea resources. These encounters provide some of the colourful background to the history of Atlantic Canada. So much blood was spilled that the disputing parties used diplomacy to settle the issue, a course which I recommend to the government in trying to settle some of the serious international problems which face us at present.

Following diplomatic discussions with the parties concerned, we had the Treaty of 1818, the Treaty of 1854 and, after confederation, the Treaty of Washington of 1871. I believe it is an historic fact that the Treaty of Washington was the first treaty in which a Canadian participated in the negotiations on disputes with a foreign country respecting matters relating to Canada. Under that treaty the provisions relevant to this bill were that United States citizens were given the right to participate in all Canadian North Atlantic sea fisheries while Canadians received similar concessions in United States waters north of the 39th degree of north latitude. It was recognized, however, that the Americans gained much more than they gave away by this—I ask the House to excuse the mixed metaphor—horse-trading in fisheries rights. Provision was made for the setting up of an arbitration board to assess the validity of the Canadian claim and, if that claim was determined valid, to assess damages.

In 1877 the Halifax Fisheries Commission was set up. It consisted of one American, one Canadian and the Belgian ambassador to Washington. The commission recognized that the United States had received more in the way of Canadian North Atlantic fisheries resources than it had surrendered and an award of $5½ million was made. Some time later this award was paid and Canada received $4,420,882 for her Maritime provinces while Newfoundland received the balance of the payment, about $1 million or, to be exact, 203,873 pounds sterling.

The next step was the enactment by Parliament of the Deep Sea Fisheries Act. This act provided for the distribution of the interest on the Halifax award to the deep sea fishermen of Nova Scotia, New Brunswick, Prince Edward Island and Quebec on an annual basis. It should be noted that the United Kingdom government made a separate settlement with regard to Newfoundland; therefore, the deep sea fishermen of Newfoundland are not compensated under this act.

Let us look at what is happening to our Maritime deep sea fishermen under the government proposals in this bill. Let us examine the facts to see what conclusions can be drawn from this government measure. The first fact which stands out like a beacon in the night is that the capital fund, out of which the so-called annual bounties are paid, is not composed of moneys contributed by Canadian taxpayers. These moneys were contributed by United States taxpayers in part payment for their right to participate in the deep sea fisheries along the coast of the Maritime provinces and Quebec. This is a right they hold and pursue to this day. We have a situation in Atlantic Canada where foreign fleets can fish up to our territorial limit or three miles from our coast while Canadians must stay 12 miles offshore. In my opinion there is an analogy to this situation in respect of the Columbia River Treaty whereby British Columbians are paid by the United States for the United States right to participate in the water resources of British Columbia.

Another fact worth noting is that every Canadian government since 1877—this includes governments of Conservative and Liberal stripe—has recognized that for historic and constitutional reasons the Halifax award is a trust for the benefit of the deep sea fishermen of the Maritime provinces and Quebec. The distribution has always been confined to fishermen of this area of Canada. From time to time fishermen from other areas asked for a share of this award. However, fishermen from British Columbia were advised they were not eligible on the basis that the award was not made in respect of their fisheries resources, and in Newfoundland fishermen were refused on the basis that they were compensated separately before they entered Confederation in 1949.

The fact that the Halifax award moneys are in the Consolidated Revenue Fund, and that the annual bounties are paid out of that fund, does not mean the fund contains public money of Canada which is available for the general purposes of the government. This is a trust fund within the Consolidated Revenue Fund, and the fishing bounty as paid represents the interest on the trust fund; the interest is paid by Canada annually for the use of the moneys in the Halifax award.

• (3:20 p.m.)

If there is any doubt on this point, I would refer the minister and the government to the Financial Administration Act which clearly defines the status. Paragraph (m) of section 2 of the Financial Administration Act reads as follows:

(m) Public money means all money belonging to Canada received or collected by the Receiver General or any other public officer in his official capacity or any person authorized to receive or collect such money, and includes

(i) duties and revenues of Canada,

(ii) money borrowed by Canada or received through the issue or sale of securities,

(iii) money received or collected for or on behalf of Canada, and

(iv) money paid to Canada for a special purpose.

Paragraph (k) provides:

(k) "money paid to Canada for a special purpose" includes all money that is paid to a public officer under or pursuant to a statute, trust, treaty, undertaking, or contract, and is to be disbursed for a purpose specified in or pursuant to such statute, trust, treaty, undertaking or contract.

Section 20 of the Financial Administration Act provides:

20 (1) Money received by or on behalf of Her Majesty for a special purpose and paid into the Consolidated Revenue Fund may be paid out of the Consolidated Revenue Fund for that purpose, subject to the provisions of any statute applicable thereto.

(2) Subject to any other act, interest may be allowed and paid from the Consolidated Revenue Fund in respect of money to which subsection (1) applies, in accordance with and at rates fixed by the minister with the approval of the Governor in Council.

Clearly, the Halifax Award was money paid to Canada pursuant to a treaty; money which was to be disbursed for a special purpose pursuant to such a treaty.

Mr. Davis: Mr. Speaker, would the hon. member permit a question?

Mr. Crouse: Mr. Speaker, when I have finished my comments I will welcome a question from the minister. Perhaps the minister would wait until I have finished my speech.

Clearly, also, Parliament, by the Deep Sea Fisheries Act, instructed the government to pay out an annual grant not exceeding $160,000 to aid in the development of the Canadian deep sea fisheries, to encourage the building and fitting-out of improved fishing vessels and generally to bring about some improvement in the working conditions of our fishermen.

It is now apparent to our fishermen and to every other Canadian that what the government intends to do by the repeal of this statutory instruction to Parliament is to gain complete control over the Halifax award which would be free of parliamentary control. Under subsection 1 of section 20 of the Financial Administration Act the government will be free to determine the purpose of the Halifax award without anyone to question its expenditures—not Parliament, not the Auditor General, and certainly not the fishermen.

By the terms of this bill the government intends to violate a sacred trust. It plans to confiscate, for no real reason, funds which have been specifically earmarked for the special use of our fishermen since 1877. If this type of action with special trust funds was engaged in by officials of a private trust company, we would put them in prison. I do not really know what we can do to the federal government. Yet this government, with its almost total disregard for the rights of our fishermen, hopes to silently steal funds in the almost certain knowledge that the individual fisherman will accept his loss in the same manner that he accepts his loss from storms and disaster, silently and grimly.

At least our fishermen have a right to know what this government is taking from them on the flimsy excuse that the payment of fishing bounties is no longer appropriate to present day circumstances and that the amount of the grant provided for the in the act could be utilized in a more productive way. What nonsense! What tommy-rot! Whoever heard of the payment of money being no longer appropriate to present day circumstances?

How does the government plan to use this money to help our fishermen in a productive way? The bill is certainly very vague on this point. I ask the minister, why does he not spell out his program? Why does he not, instead of using pious platitudes, tell this House and the fishermen of Canada what he intends to do with this money? It should be made abundantly clear that this government has, by a reverse process, already taxed the Maritime and Quebec deep sea fishermen in the amount of $160,000 by dropping this sum from the main appropriation act for the fiscal year which ends 31 March, 1970. By this bill the government, having taken the $160,000 which rightly belongs to the fishermen of the Maritimes provinces and Quebec, wants to tax them the full amount of the Halifax award, namely, the $4½ million in this trust fund, by way of a capital levy.

In my opinion, since the government has now decided to do away with the fishing bounty of $160,000, it should indicate what special programs it plans to initiate for the development of the sea fisheries of Canada, using the $4½ million on which the bounty was based. As a matter of fact, I contend that this fund should be much greater than $4½ million since the government has only been paying out $160,000 a year, which is the interest at less than 4 per cent on the $4½ million which the government received from the United States government.

The government is now paying 8 per cent and more on Canadian savings bonds, and rather than taking money away from our fisheries trust fund it should have credited the fund with the difference between the 4 per cent paid to the fishermen and the annual

rate of interest which it has paid in order to borrow money from other sources. If this course had been followed, the trust fund would have grown over the years and its disbursement today under the terms of the Deep Sea Fisheries Act would provide a real economic lift to our fishermen, especially if the capital sum was made available for the building and fitting-out of improved fishing vessels and the improvement of the conditions of the fishermen.

This is what the act calls for, and this is what the government and the Minister of Fisheries and Forestry are required to do. The government is not following this course; I charge it with reneging on a sacred trust. I charge the government with shirking its duties and responsibilities to the Canadian fishermen. Surely the Minister of Fisheries and Forestry can come up with something more positive and more definite for our fishermen, something which holds greater promise than the words of Bill C-133, which simply states in the explanatory note that the payment of bounties is no longer appropriate to present day circumstances and that the amount of the grant provided for in the act could be utilized in a more productive way. This flimsy excuse for expropriating $4½ million which rightly belong to our fishermen is not good enough. It is not acceptable to me, nor is it acceptable to members on this side of the House.

The question being proposed is that Bill C-133, entitled an act to repeal the Deep Sea Fisheries Act, be now read a third time. So that the government will have time to reconsider this matter and come up with a positive program for the utilization of this fund of $4½ million in a special manner in keeping with the terms of the original act, I move:

That the word "now" be left out and the words "this day six months" be added at the end of the question.

Mr. Speaker: Is the House ready for the question?

Mr. Thomas S. Barnett (Comox-Alberni): Mr. Speaker, the subject matter of this bill which, as has been stated, is to repeal the Deep Sea Fisheries Act, has been discussed in the committee to the point of exhaustion. Quite a number of proposals were put forward for the consideration of the minister. He seemed to reject all those proposals and considerations out of hand, on two grounds. The first was that the fine technicalities of the situation were not as outlined in the speech made by the hon. member for South Shore (Mr. Crouse), and the second was that the Washington Treaty had been abrogated by the United States about eight years after it became operative. Some members may recall that I suggested in the committee that whether or not the technicalities were as had been stated, the understanding had always been that this was a special fund which, as the hon. member for South Shore has properly said, was not provided by the taxpayers of Canada. I felt we had pursued the matter in committee as far as we could.

• (3:30 p.m.)

It is a very simple bill with only one clause, and one could not produce appropriate report stage amendments to it. As far as I am concerned, the final decision on this point should be made by the House. I did not oppose the bill being reported back to the House in its present form because I felt this was the place where the issue of principle must be joined in the final stage.

I was hoping, Mr. Speaker, that the minister would rise at this point to indicate some change in position, if not in respect of the proposal to repeal the act at least in respect of the attitude he stated before the committee about a particular and appropriate method of providing to the fishermen concerned what they have always considered to be their right under the terms of this treaty. Apparently he is not going to do that. I feel, therefore, that if this is the way in which the matter is to be left, I must support—and I do so gladly—the motion which has been placed before us for consideration, namely, that this bill be not passed at this time.

Before the bill was considered in committee I took the trouble to acquaint myself with the discussion that took place in this House in 1882 when the Deep Sea Fisheries Act was first proposed by the then Minister of Finance, Sir Leonard Tilley. It is quite clear from the context of that debate that, while it is not spelled out in set form, the concept of providing a return to the fishermen in some form from the interest on the $4 million or $4½ million was behind the introduction of the Deep Sea Fisheries Act.

I noted that a then member from British Columbia, Mr. DeCosmos, entered a plea that the fishermen of British Columbia be entitled to a share of the revenue from this fund, and that a Mr. Gillies, who was obviously a representative from one of the constituencies in the Great Lakes region, entered a plea that the fishermen of that part of Canada also be

entitled to share the revenue in the fund. This plea was rejected by the government of the day on the grounds that the sum was earmarked for the benefit of fishermen and fisheries in Nova Scotia, New Brunswick and parts of Quebec.

I would add that a more recent predecessor of mine as the member for Comox-Alberni, the late Mr. A. W. Neill, also advanced a plea from time to time that some benefit from this fund should accrue to the fishermen on the Pacific Coast. This plea, again, was rejected. This indicates, I think, that the benefits under the Deep Sea Fisheries Act, which are for the improvement of the deep sea fisheries, are not applicable—I am prepared to accept this—to the deep sea fisheries of all parts of Canada, and that its original intent and purpose was to deal with particular sections of the fisheries of Canada and those sections only.

I find myself in agreement with some of the reasons advanced by the minister for suspending or doing away with the act. It has operated rather cumbersomely and in light of developing circumstances it is perhaps an anachronism. Nevertheless, having considered the pros and cons, and in my own mind trying to be as fair as possible to the arguments advanced by the minister, I have come to the conclusion that the case he advanced in committee is not really well founded unless he is prepared to provide an adequate substitute for the legislation. I submit that his argument that this money in essence is simply part and parcel of the annual vote by Parliament to the Department of Fisheries is not really in accordance with the spirit in which the act was passed, even though it may be technically in accordance with the way in which the money has been handled in recent years.

In other words, it is true that the amount involved, in terms of the value of money today and today's scale of expenditures by the government of Canada—even though the budget of the Department of Fisheries is far too modest, considering the job that is required to be done—is a small amount in comparison with the total budget of the Department of Fisheries. I would suggest that that budget has been developed having regard to the total picture of the Canadian fishery over the years. The sums we have expended under various programs, whether through the Fisheries Research Board or the economic development and marketing services of the department, have presumably been proposed with due regard to the total picture of the fisheries and their requirements, be they on the Atlantic coast, the Pacific coast or inland. It is therefore not appropriate, in my view, to argue that the amount that has been paid under this bounty over the years is simply part and parcel of the general pattern of the expenditures of the Department of Fisheries.

Certainly, Mr. Speaker, this was the understanding of the provisions of the act that I acquired when I first came to this House and became a member of the Fisheries Committee. I interested myself in and made inquiries about the operations of the act, because like other members from British Columbia I was puzzled as to why this benefit was confined to the fishermen of one region of the country and was not applicable to the fishermen of Canada as a whole. It is on these grounds that the House must consider the proposal to repeal the act.

I recognized, Mr. Speaker, that the act as it stands really does not require that the government do anything. It simply gives the government the right to provide an amount not exceeding $160,000 per annum for the purposes set out in the act. The minister informed the committee, as I think he has probably informed the House, that in fact the government suspended the payment of the bounty for the fiscal year that is about to expire and the fishermen in fact have not received it.

• (3:40 p.m.)

It is said that this bill is simply a piece of tidying up by Parliament—wiping out an old piece of legislation that will be in the statute books unused. This is a persuasive argument. I believe that sometimes we leave laws on our statute books far too long. But having reflected upon the matter since the committee hearings, I am convinced that the suggestion I put forward then, that if the act is to be repealed, the fishermen of the area are entitled to receive this amount for a special program of development in their interests. It is not something that should be wiped out.

Mr. Speaker, this government seems to be too prone to wipe out understandings that have been arrived at and carried forward over the years. This is true in respect of recently announced government policy regarding the Indian people: we are going to wipe out anything that is not thoroughly documented in the claims of the Indian people. How far do we allow the government to go in this direction? Are we going to say that anything that has previously been

arrived at by understanding, and has been accepted as the practice by certain groups in Canada, has no validity in this generation unless it is spelled out in highly technical form?

We have to make changes in the law from time to time and eliminate things that become anachronistic. The manner of making such changes is important—sometimes more important than the changes themselves. Changes must be made in a way which keeps faith with the undertakings made by our predecessors in this chamber. We cannot say that because the government of 1882 led by Sir John A. Macdonald is long since gone and the government in office today does not bear the same political stripe, it is proper that the undertaking made by his government can be wiped out without consideration. The remarks made by the then first spokesman for the opposition would not apply today to the minister in respect of his action. In fact, I am convinced that his motives are not those which the Liberal spokesman of that day applied to the government. As reported at page 1512 of *Hansard* for May 13, 1882, Mr. Killam said:

> I do not think the hon. member could have more thoroughly convinced the House than he has done by his eloquent speech, that the distribution of this bounty cannot be intended for anything else than a political bribe.

Mr. Speaker, I do not think this proposal was enacted originally as a political bribe. Had it not been for the $4½ million—some people argue it is $4 million paid into the general fund of Canada for the benefit of the deep sea fishermen of that area, this proposal would probably not have been put forward by Parliament. However, I think if we are not accusing the minister of political bribery, in this context we can very well accuse him of not being concerned enough with the political rights of the people of the area involved.

I do not know whether the minister has read the debates to which I have referred, but I suggest there was much more to the question than was outlined by the spokesman of the then Liberal opposition in this chamber when Sir Leonard Tilley said:

> It was also considered that the interest on the $4,500,000 awarded by the fishery commission should be distributed among the fishermen who, under its operation, had been compelled to give up the advantage of having access to the American market for their fish.

This is still a fairly valid argument. The fact that the Treaty of Washington was abrogated really has nothing to do with it. As I tried to argue in committee, Canada was not required to give back the $4½ million that was still in the treasury when the Americans abrogated the treaty. The amount which has been paid out, calculated on the formula set out by the then minister of finance, is modest in relation to the average earnings on funds which the government of Canada has had at its command for investment since 1882.

Without belabouring the point any further, Mr. Speaker, we are prepared to support the motion placed before the House by the member for South Shore unless the minister is able to come up with a more convincing argument for the repeal of the bill than he put forward in the committee.

Mr. Melvin McQuaid (Cardigan): Mr. Speaker, I rise at this time to support the amendment put forward by the hon. member for South Shore (Mr. Crouse) that this bill be not now read a second time but be read six months hence. I followed the proceedings before the Fisheries and Forestry Committee with a great deal of interest, and I listened to the explanation given by the minister with respect to the introduction of this bill to repeal the act in question. I heard the minister assure us that this money would in all probability still be devoted to the benefit of the fishermen.

I think the minister recognizes, as the hon. member for South Shore has said, that this $4 million is a trust fund. The money is trust money in the hands of the government, for the benefit of fishermen of Nova Scotia, New Brunswick, Prince Edward Island and Quebec. It is all very well to say that the Treaty of Washington under which it was granted has been abrogated. Nevertheless, I am sure the minister recognizes, and I am sure that down through the years the government has recognized, that although this treaty may have been abrogated, the $4 million must be considered as money to be held in trust for the benefit of fishermen. I think that has been made abundantly clear by reason of the fact that the government of the day saw fit to pass the Deep Sea Fisheries Act.

My argument is that if, as the government says, this $4 million will still be applied to the benefit of the fishermen of the provinces concerned, if he is sincere in that and does not want to use it for any other purpose, there is no reason for repealing the act. There is nothing in this act which requires the government to pay the $160,000 out by way of bounty to the fishermen. I appreciate the minister's argument that the administrative

expense of the bounty is large. As far as the fishermen are concerned, the bounty is peanuts and only amounts to about $12 a year for fishermen who apply.

• (3:50 p.m.)

I agree that costs of administration are too great, but I again point out to the minister that there is absolutely nothing in the Deep Sea Fisheries Act which requires the government to pay that interest by way of bounty. That is my point. The money is paid for the benefit of the fishermen. Section 2 of the act provides:

> The Governor in Council may authorize the payment, out of the Consolidated Revenue Fund of Canada, of an annual grant not exceeding one hundred and sixty thousand dollars, to aid in the development of the sea fisheries of Canada, and the encouragement of the building and fitting out of improved fishing vessels, and the improvement of the condition of the fishermen.

Nothing in the section says that the money must be paid by way of bounty. It says, "to aid in the development of the sea fisheries of Canada."

Mr. Davis: The hon. member should tell that to his friend, who says the money must be paid to the fishermen.

Mr. McQuaid: Only because section 3 says that such grant shall be appropriated for the "said purposes at such times and by such instalments in each year, as the Governor in Council directs." Note, Mr. Speaker, that the section says, "in each year". This act was in effect last year, but the government failed to pay out the $160,000 which the act requires it to pay.

Section 7 of the act provides in part:

> The Governor in Council may, from time to time, make such regulations as he deems necessary or expedient respecting the payment of the said grant—

Under the authority of section 7 of the act, the government must now pay out each year $160,000 for the benefit of the fishermen. It is paid to the individual fisherman. I repeat, there is absolutely nothing in this act which requires the government to pay the money in this way.

Mr. Davis: That is right.

Mr. McQuaid: The money is there for the benefit of the fishermen, and I say to the minister that if he wishes to continue using it for the benefit of the fishermen he will not repeal the act.

Some hon. Members: Hear, hear!

Mr. McQuaid: This statute is our only guarantee that the $4 million will be used for the purpose for which it was originally intended. I have every confidence in the minister's word. If he says the money will be used to help the fishermen, I think probably it will be so used. I remind you, Mr. Speaker, that this minister will not always be Minister of Fisheries, and the next minister may decide to use the $4 million to help the Arts Centre in Ottawa. Despite what the minister says, that money is trust money; it is there for the benefit of fishermen. The government that passed the act recognized this fact. Section 2 speaks of an annual grant not exceeding $160,000 to aid in the development of the sea fisheries of Canada.

These moneys in trust ought to be used for no purpose other than to benefit our fishermen. If the government is anxious to guarantee the continuation of these payments, all it need do is change the regulations so that the $160,000 will not represent a $12.50 or $13 payment to every fisherman. Some other way must be found which will guarantee to the fishermen of Prince Edward Island, Newfoundland, New Brunswick, Quebec, and so on, that the money will be used for the purpose originally intended. That is all we are asking. We are asking for a guarantee that this money will continue to be used for the purpose intended. The only lasting guarantee we have is the present statute, part of the law of Canada.

Mr. Davis: Mr. Speaker, subsidies, generally speaking, do not solve anything. They are a stopgap at best, and I regard a subsidy of the nature of the fisheries bounty to be a stopgap measure. It was a stopgap measure in the 1880's, and a modest one at that. These subsidies are, in the main, like crutches: you cannot lean on them too long without developing bad habits. I think we have developed some bad habits in this connection.

As Minister of Fisheries, I want more than anything else to improve the industry's image. I should like to put our commercial fishing industry on a self-supporting basis. I want to be able to say that our commercial fishermen do not owe anything to anyone. I want to be able to point with pride to a fishery which stands on its own feet, a fishery which competes effectively in world markets and a fishery which is no longer burdened with outdated and awkward measures such as the Deep Sea Fisheries Act.

The Deep Sea Fisheries Act which we are discussing today on third reading of this bill set up a fishing bounty in 1882. For 88 years thousands of fishermen in the Maritime provinces and Quebec have received an average of $13 a year. They received $13 each spring if they filled out the necessary forms. If they knew about the act, they received the $13; if not, they did not receive anything.

They had to apply for this money to receive it. They got it because of an ancient treaty signed in the time of their fathers, their grandfathers, and now their great-grandfathers, and they got it as recently as 1968 despite the fact that the treaty was scrapped four years after the bounty began to be paid to fishermen in the Maritime provinces and Quebec. Year in and year out from 1882 onwards $150,000, which was raised to $160,000, has been paid to those fishermen who knew about the bounty and took the trouble to write to Ottawa. Those who did not know about the fishing bounty of course did not write in and did not get their $13.

What happened to these bounty payments? The Halifax award, the settlement of approximately $4½ million mentioned by hon. members, has been paid to individuals who did not necessarily put the $13 they received back into the fishing industry. Those people generally bought food, shelter or some other service with it. The $150,000 did not necessarily go back into the fishery; instead, it went back into the community and the economy in which they lived.

I began by saying that subsidies do not solve anything and, certainly, they do not solve anything in the long run. Indeed, they become a bad habit if we rely on them too long. Subsidies like the fishing bounty do not do much to solve problems in our present day fishery. These days $13 does not go very far, in any case. Also, it is doubtful whether all or even a large part of these payments go back into the fishery.

Because subsidies tend to give our commercial fishery a black-eye, I have been trying to get rid of them. We got rid of the salt subsidy to Newfoundland inshore fishermen in 1969. We dropped the deficiency payment scheme for fresh and frozen groundfish producers. We have introduced a self-liquidating price stabilization scheme in its place. We have put our government-supported fishing vessel insurance scheme on a self-paying basis and set up a freshwater fish marketing corporation which will operate in the black.

Our new saltfish corporation will also have to operate in a businesslike way. Our loans program for plant modernization will operate on a self-liquidating basis. In other words our fishermen, under our new programs, really do not owe anything to anybody. They will not be a burden on the Canadian taxpayer. The image of the industry will improve. It will certainly improve if we eliminate such ancient anomalies as the fishing bounty.

Once we have reached the stage where the fishery is a self-sustaining, commercial enterprise, we will be able to bargain more effectively in our export markets and say to our friends in the United States that our fishing industry is fully competitive, not supported by the Canadian taxpayer, not propped up by artificial measures and that it should not be discriminated against by buyers in the United States. Those of my department, of the Department of Industry, Trade and Commerce and of the External Affairs Department who have gone abroad and endeavoured to negotiate agreements which would permit our fishery products to enter foreign markets with a minimum of tariff interference, have continually been met by the charge that our fishery is heavily subsidized. This is no longer the truth, Mr. Speaker. It will be more obvious when we eliminate props, crutches and anomalies like the fishing bounty.

• (4:00 p.m.)

Why hang on to old subsidies like the fishing bounty? Why continue to give our commercial fisheries a bad name? The bounty is a hangover from the dim and distant past. It costs money to administer—at least $25,000 each year. It involves a lot of red tape. It discriminates between people because those who knew about it and wrote in got the $13 and those who were not aware of it did not receive any payment.

Mr. Bigg: Then why are you paying it?

Mr. Davis: We are not; we discontinued it last year. Hon. members may recall that the MacLean Royal Commission proposed the elimination of the fishing bounty in 1928. Here we are, 42 years later, finally getting around to the elimination of a bounty that should not have been paid in the first place. It has been a long, long time in force. On balance, I think it has been a liability. It is now long out of date.

To repeat, it applied only to fishermen who knew that the bounty existed. It was paid only to fishermen who wrote in and applied

for this $13 gratuity. It was confined to the Maritime provinces and Quebec. It did not apply to Newfoundland, Ontario and the west. Yet it it was on our statute books year after year for 88 years. It was just one more thing helping to convince other people that our fishing industry was both archaic and in need of support.

I believe our commercial fishery is much healthier now; markets have improved in recent years. Indeed, in the last 18 months they have picked up remarkably. Our problem, looking into the more distant future, is no longer one of markets but of supply, conserving our fisheries resources and harvesting them efficiently. We will be upgrading our fisheries products and getting much higher prices. The market side is really not the problem. It is a problem of conservation of our resources and efficient exploitation.

The hon. member for South Shore (Mr. Crouse) talked about the $4½ million paid under the Halifax award as being a trust. Over the years more than $14 million has been paid to the fishermen, the sons and grandsons of the fishermen, and now the great-grandsons of the fishermen who were alive at the time the Treaty of Washington was signed. The hon. member for South Shore talked about the original $4½ million as being a trust for a loss sustained because the fishery of those days was subject to American fishermen taking cod near our shores and being free to dry their cod on our shores around the Gulf of St. Lawrence and the Bay of Fundy.

Four years later, in 1886, that privilege expired. The United States government tore up the Treaty of Washington. Yet we are told that there is still a trust because of this ancient privilege which disappeared when the Treaty of Washington expired in 1886. Obviously, the idea of a trust is simply nonsense. Nowhere in the Treaty of Washington, the Halifax award or the Deep Sea Fisheries Act is there any reference to an obligation to make payments to individual fishermen. Indeed, this payment to individual fishermen was a device invented in 1882 by Sir Leonard Tilley.

It was perhaps politically opportune at the time. I think it could be defended in those years by saying there were no substantial programs assisting in the development of new vessels, new gear and new fishing techniques in the Maritime provinces and Quebec. Since then there have been many more effective programs introduced. If this program were to be continued today in its old form of individual payments to fishermen, it would constitute a fraction of 1 per cent of payments to fisheries development in the Maritimes and Quebec.

The $160,000 is earmarked for fisheries development. I would say at least $100,000 will still be going to the fishing industry in those areas. Indeed, if we take into account the cost of administering the program, I doubt very much if there is any transfer of money away from the Maritime provinces and Quebec as a result of the changes we are instituting today by repealing the Deep Sea Fisheries Act.

In conclusion I wish to refer to an article which appeared in the *Globe and Mail* quoting the Canadian Encyclopedia. It states:

"Some men are naturally inclined to attempt to make things better, and these are commonly described as reformers or liberals—"

Under that definition I trust I am a liberal.

"—others like to let sleeping dogs lie, and these are described as tories or conservatives."

I say it is easy to let a fishing bounty act lie. It should have been scrapped long ago. We are getting rid of it as a result of this legislation. Incidentally, the stand of the hon. member for Comox-Alberni (Mr. Barnett), according to that definition, would qualify him as a tory. I think after 88 years we should eliminate this legislation, which should have been withdrawn at the very latest in 1888.

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

Some hon. Members: Question.

Mr. Deputy Speaker: Is it the pleasure of the House to adopt the amendment?

Some hon. Members: No.

Mr. Deputy Speaker: All those in favour will please say yea.

Some hon. Members: Yea.

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

Some hon. Members: Nay.

Mr. Deputy Speaker: In my view the nays have it.

And more than five members having risen:

Mr. Deputy Speaker: Call in the members.

Division

The House divided on the amendment (Mr. Crouse) which was negatived on the following division:

• (4:10 p.m.)

YEAS

Messrs:

Baldwin
Barnett
Beaudoin
Bell
Bigg
Cadieu (Meadow Lake)
Carter
Coates
Code
Crouse
Danforth
Douglas (Nanaimo-Cowichan-The Islands)
Downey
Fairweather
Flemming
Forrestall
Gilbert
Gleave
Grills
Hales
Harding
Hees
Horner
Howard (Skeena)
Howe
Knowles (Winnipeg North Centre)
Knowles (Norfolk-Haldimand)
Korchinski
Lambert (Edmonton West)
Lewis
Lundrigan
MacDonald (Egmont)
MacEwan
MacInnis (Cape Breton-East Richmond)
MacLean
Macquarrie
McCutcheon
McGrath
McKinley
McQuaid
Monteith
Muir (Cape Breton-The Sydneys)
Nesbitt
Noble
Orlikow
Paproski
Peddle
Peters
Ricard
Ritchie
Saltsman
Simpson
Skoberg
Southam
Stewart (Marquette)
Thompson (Red Deer)
Valade
Winch
Woolliams—59.

NAYS

Messrs:

Allmand
Anderson
Badanai
Barrett
Basford
Benson
Blair
Blouin
Breau
Brown
Buchanan
Caccia
Cadieux (Labelle)
Cafik
Chrétien
Clermont
Cobbe
Comtois
Corbin
Côté (Longueuil)
Crossman
Cyr
Davis
Deachman
Deakon
De Bané
Douglas (Assiniboia)
Dubé
Duquet
Forest
Forget
Foster
Gendron
Gervais
Gibson
Gillespie
Givens
Goyer
Groos
Guay (St. Boniface)
Guay (Lévis)
Haidasz
Hogarth
Hopkins
Howard (Okanagan Boundary)
Hymmen
Jamieson
Jerome
Kierans
Laflamme
Laing (Vancouver South)
Langlois
Leblanc (Laurier)
LeBlanc (Rimouski)
Lefebvre
Lessard (LaSalle)
Lessard (Lac-Saint-Jean)
Macdonald (Rosedale)
MacGuigan
Mackasey
McBride
McIlraith
McNulty
Mahoney
Marchand (Kamloops-Cariboo)
Morison
O'Connell
Olson
Osler
Otto
Ouellet
Pelletier
Penner
Pepin
Perrault
Pilon
Portelance
Pringle
Prud'homme
Reid
Richard
Richardson
Roberts
Robinson
Rock
Roy (Timmins)
Sharp
Smerchanski
Smith (Northumberland-Miramichi)
Smith (Saint-Jean)
Stafford
Stewart (Okanagan-Kootenay)
St. Pierre
Sullivan
Thomas (Maisonneuve)
Tolmie
Trudeau
Trudel
Watson
Whicher—100.

Mr. Speaker: I declare the amendment lost. Is the House ready for the question on the main motion?

Some hon. Members: Agreed.

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

Some hon. Members: On division.

Motion agreed to and bill read the third time and passed.

COASTAL FISHERIES PROTECTION ACT

INCLUSION OF SERVICE AND SUPPLY VESSELS

The House proceeded to the consideration of Bill C-134, to amend the Coastal Fisheries Protection Act, as reported (without amendment) from the Standing Committee on Fisheries and Forestry.

Hon. Jack Davis (Minister of Fisheries and Forestry) moved that Bill C-134, to amend the Coastal Fisheries Protection Act, as reported (without amendment) from the Standing Committee on Fisheries and Forestry, be concurred in.

Motion agreed to.

Mr. Davis moved that the bill be read the third time and do pass.

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, the legislation with which we are

dealing this afternoon is of a somewhat technical nature. No doubt the officials of the Department of Fisheries are watching its progress through the House.

I think it only fitting that I take this opportunity to pay a special tribute to Mr. Sam Ozere, the special adviser to the Deputy Minister of Fisheries, who is retiring shortly following a most distinguished career. I am sure his counsel will be missed by his fisheries department colleagues. On behalf of the House I wish him good fishing in his retirement years.

Mr. Speaker, in Bill C-134 we have what on the surface would appear to be a very simple amendment to the Coastal Fisheries Protection Act. In his statement on second reading the Minister of Fisheries and Forestry (Mr. Davis), and again when he appeared before the Committee on Fisheries and Forestry, endorsed the explanatory note in the bill which states that the purpose of this amendment is to extend the provisions of the Coastal Fisheries Protection Act to include the service and supply vessels attached to foreign fishing fleets operating in Canadian fisheries waters.

During previous discussions on this amendment the minister also assured us there is no intention by the government to apply this amended act to our east coast ports, notably St. John's, Newfoundland, or Halifax and Sydney in Nova Scotia. According to the minister the reason for amending the Coastal Fisheries Protection Act is to enable the government to deal with a specific problem which exists on Canada's west coast, namely, the overfishing by the huge Russian and Japanese fishing fleets on the fishing grounds adjacent to British Columbia.

At the present time it is possible for supply vessels attached to these fleets to enter the port of Vancouver, for example, and leave again without in any way coming under the provisions of the Coastal Fisheries Protection Act. By this amendment to the act the minister has told us he would have the authority to exclude the supply vessels of the Russian and Japanese fleets, and the supply vessels of any other country for that matter, operating a fishing fleet off the west coast. He has also stated that the authority to restrict supply vessels as well as fishing vessels may or may not be used, but that it could serve as a bargaining lever when dealing with foreign fleets by suggesting to them that we as Canadians would allow them to use our ports for fresh water, food and fuel if they abstained from fishing certain areas which are overfished.

Quite frankly, in view of the serious decline in our fisheries resources the objective behind the amendment, as stated by the minister, is highly desirable. Unfortunately this amendment, in our opinion, will bring about little or no improvement in respect of the problem and it may very well compound our present difficulties. In our opinion the proposed amendment is a questionable attempt by the government to strengthen the control over foreign fleets operating off our coasts.

While the minister has stated the amended act will apply only to the west coast, I would remind him that governments and fisheries ministers come and go and therefore it is difficult to say what could happen at some future time. The amendment proposed by Bill C-134 will mean that restrictions are applied to all supply and ancillary vessels accompanying foreign fishing fleets off Canada's west or east coast ports. It is therefore of concern to our major east coast ports of St. John's and Halifax whose trade with the offshore fleets runs to an estimated $12 million in St. John's and $3 million in Halifax and Sydney, Nova Scotia. This is a traditional trading pattern on the east coast.

• (4:40 p.m.)

Any action taken by the government to implement the provisions of this act in eastern Canada would only drive the offshore fleets into the ports of the French-owned islands of St. Pierre and Miquelon. On the west coast there are apparently no such traditions, and the minister hopes that by refusing to supply the offshore fleets they will, so to speak, take their nets and go home.

The minister's attitude reminds me of the story of the ostrich which buries its head in the sand hoping that its problems will fade away. The tactic of striking at the supply ship is itself an admission that Canada agrees to the presence of these foreign fleets, that it intends to take no rational action to protect the fishing grounds off its shores but simply intends to harass these fleets and by harassment anger the nations which send them.

This tactic has been tried in other parts of the world where nations have applied economic sanctions against another country in an attempt to bring it to its knees and make it listen to reason. It has never worked. If anything, this type of tactic only strengthens the

will to resist and to oppose all future overtures seeking agreement on any problem.

In my view, this amendment is useless as a solution to the preservation of our fisheries resources. It is useless because it attacks the incidental problem, which is not a problem at all if the main problem is solved. Our main concern as Canadians is the decline of our fisheries resources on both coasts. In view of the need for increased food supplies in other countries, this should also be the concern of the nations which send huge fleets to fish off our shores. This amendment will only annoy those nations that fish the resources on our two coasts and may well, in the final analysis, prevent a proper approach being taken toward these nations by Canadian authorities in an effort to solve our problem.

I repeat that the approach must, and can, only be made at the negotiating table by Canadians talking common sense to their opposite numbers. We must also point out to all concerned at an international conference on the conservation of fisheries resources that there are only so many fish on the fishing grounds of the North Atlantic and the Canadian west coast. These resources can be ruined for years or completely destroyed by overfishing or by the use of destructive fishing gear. It must be pointed out that these resources must be preserved for ourselves and for future generations by conserving the spawning grounds and the spawning stock in our time, and that time is now.

In my opinion, it is mandatory that this action be taken through international negotiation and agreement. I ask the minister through you, Mr. Speaker, what efforts he has made recently to call an international fisheries conference to deal with the Poles and the East Germans who, he said in his speech in Montreal on February 5, are making massive raids on an awesome scale on our fish stocks by moving in on our continental shelf with dozens of big, modern vessels.

Surely the minister is not going to sit idly by hoping, wishing and praying that some action will be taken by our spineless, wishy-washy Department of External Affairs. The Minister of Fisheries and Forestry should take the bit in his teeth and call for the immediate establishment of an international fisheries conference, so that our urgent fisheries problems can be discussed with the countries which share this problem.

I say this because the Secretary of State for External Affairs (Mr. Sharp) has obviously no interest in our fisheries problem at the international level. While he busies himself trying to get Red China to recognize Canada, our fishing resources are being raped, pillaged and plundered by eight of the largest fishing nations of the world which operate right up to our three-mile limit. In the meantime, we Canadians stand by helplessly, begging our Department of Fisheries and Forestry and our government to take some action on legislation which was passed with great Liberal fanfare and bravado away back in 1964.

[Mr. Crouse.]

The jellyfish approach to our fisheries problem by the Secretary of State for External Affairs was never more apparent than when, in reply to my question concerning the number of meetings held between the French authorities and the Canadian government on the question of jurisdiction over the territorial waters surrounding the islands of St. Pierre and Miquelon relative to the control of fishing activities in the past few years, he said there had been no discussions concerning jurisdiction over our territorial waters in this area.

There have been no discussions on oil rights, mineral rights and fisheries rights, and no meetings were held between the French and Canadian authorities on this matter during the last two years. Yet this is one of the major stumbling blocks to the establishment of geographical co-ordinates and the drawing of base lines, the very basis of the legislation passed in 1964, which would give us the right to reserve for our fishermen the resources off the coast of Atlantic Canada.

The Minister of Fisheries and Forestry, in a speech in this House said that we have established exclusive fishing zones. Exclusive for whom, I ask him? Certainly not exclusive for Canadians. They are exclusive for the Spanish, the Portuguese, the French, the Italians and the fishermen of the United Kingdom and the United States. They are exclusive for the fishermen of Norway and Denmark. Canadian fishermen from Nova Scotia, New Brunswick, Prince Edward Island and the other Atlantic provinces must take their trawlers 12 miles off the coast while we see our resources raped, pillaged and plundered up to three miles off the coast or within our territorial boundary.

This is what the government has done to us in 1970. It has taken no action on legislation that was passed away back in 1964. I charge this government with flagrant disregard for the rights of our fishermen in Atlantic Canada. By its lack of action in calling for an international fisheries conference to deal with

these problems, we see the wholesale destruction of our Atlantic salmon by Denmark, a country which is also a member of the International Commission of the North Atlantic Fisheries.

In this instance Denmark is sailing a ship she does not own, and she has no intention of contributing toward its maintenance. I say this because 55 per cent of the salmon which migrate each year to Greenland waters are spawned and reared in North Atlantic rivers. About 70 per cent of these fish would return to their home rivers if they were not taken by foreign fleets. The Danes are using Japanese driftnets which are very effective in catching salmon.

It is estimated that Denmark's trawlers are costing United States and Canadian fishermen an annual loss of Atlantic salmon valued at $2½ million, and the loss to our tourist industry in Atlantic Canada by the declining salmon runs in our rivers cannot be estimated. We can only guess the figure, but I feel certain it would run into millions of dollars. Something must be done soon to eliminate the fishing for Atlantic salmon on the high seas, or this species will be lost to us forever.

For all these reasons I suggest that the Minister of Fisheries and Forestry use his good offices to call immediately an international fisheries conference. Hopefully, he will succeed where it is obvious the Secretary of State for External Affairs has failed. Unless action is taken soon, all the minister's words and all his expressed concern for the plight of the fishermen will be just so much sea spray over the taffrail.

Having stated our concern over some aspects of the legislation, I have an amendment to propose which I hope will strengthen the bill. The purpose of our amendment is to give provinces the right to exercise the option whether or not foreign fishing vessels or persons aboard such vessels will be allowed into that province for all or any of the following reasons: to unload, land or tranship any fish, outfit or supply, ship or discharge any crew member or other person, purchase or obtain bait or any supplies or outfits. Therefore, I move, seconded by the hon. member for Cardigan (Mr. McQuaid):

That all the words after the word "that" be struck out and the following substituted therefore:

"this bill be not now read a third time but be referred back to the Standing Committee on Fisheries and Forestry with an instruction that the committee consider inserting therein a provision that where the Lieutenant-Governor in Council of a province so recommends, the Governor in Council shall make regulations to authorize foreign fishing vessels to enter Canadian fisheries waters, or persons to be in that province or in Canadian fisheries waters, for the purpose of doing in that province all or any of the things described in paragraphs (b), (c) and (d) of subsection (2) of section 3 of the Coastal Fisheries Protection Act."

• (4:50 p.m.)

Mr. Thomas S. Barnett (Comox-Alberni): Mr. Speaker, at the outset of my remarks I take great pleasure in joining the hon. member for South Shore (Mr. Crouse) in expressing my best wishes and those of my colleagues to Dr. Ozere. Those who have come to know him, particularly at meetings of the Fisheries Committee, have enjoyed his wealth of knowledge and the good-humoured way in which he has presented fisheries matters to the committee. I am sure all hon. members hope he will come back to see us from time to time and that his wealth of knowledge will be available to us when we need it in the future, whether or not he continues much longer in his present position.

I agree with the opinion expressed by the minister on this legislation when he spoke in the House on second reading. I disagree with the necessity to refer it back to committee, as suggested in the amendment which is before us and which in my view really goes beyond the scope of the bill. As I understand the bill, it is simply a matter of bringing this legislation up to date with respect to technological changes and advances in the industry. In that sense it does not in any way add to the powers that the minister now has under the Coastal Fisheries Protection Act, except that it makes clear that certain types of vessels ancillary to the operations of certain types of fishing fleets shall, for the purposes of this act, be included as fishing vessels and therefore come under the control of the minister.

As I understand the act, the minister now has power to declare whether foreign fishing vessels can enter Canadian ports for any purpose. The question of whether they enter ports on the Atlantic coast or the Pacific coast is not in any way altered by the provisions of the bill before us. For that reason I believe this to be a matter requiring a flexible policy to deal with situations that may arise from time to time on any or all of our coasts.

In other words, while I agree with the policy that prevents foreign fleets doing certain things, I think it is logical that the situation that has existed on the Atlantic coast, whereby fishing vessels are allowed to enter Canadian ports for supplies and servicing, should be decided upon after considering the

circumstances that prevail from time to time. This should definitely be a matter for the minister responsible for fisheries. It should not be the responsibility of any provincial administration. I would assume that at any given point in time the views of a provincial administration may be expressed to the minister, whether it be the Atlantic or the Pacific coast that is affected. For that reason I say here, as I said in committee when a similar amendment was proposed, that I do not consider it necessary or desirable to make this change in the Coastal Fisheries Protection Act.

I have said that I agree with the minister in his assessment of the legislation when he introduced this bill. He said it was a very minor change in our fisheries legislation. I commend the minister for not having overstated the case of what the legislation might do to protect our fisheries. In this case I think his position is a logical one, although with respect to the previous bill I did not think his position was very logical. But, Mr. Speaker, I think some of the remarks of the hon. member for South Shore were well taken. I wish the Secretary of State for External Affairs (Mr. Sharp) were in the House to listen to this debate, because I agree with the hon. member for South Shore that on the surface at least our Department of External Affairs does not seem to be taking any particular interest in the fisheries. Indeed, it appears that the Minister of Fisheries singlehandedly has to deal with the situation and make statements with regard to the need for protecting our fisheries.

Hon. members may recall that earlier in the session I asked the Secretary of State for External Affairs whether when Mr. Gromyko, the Foreign Minister of the U.S.S.R., was in Ottawa, he raised with him the operation of Soviet fishing fleets off our coasts, particularly the Pacific coast. He replied that he had not. I said this was a grave omission on his part. I seek support in this House for the view that what happens to the resources of the fishing waters of Canada is a matter of national concern, a matter in which the Secretary of State for External Affairs should be involved. The situation on the Pacific coast is one upon which the views of the Canadian government should be made known officially to the Foreign Minister of the U.S.S.R., by our External Affairs Department. It is not good enough for fisheries matters in areas such as this to be put in a corner, as it were, and left entirely to the Minister of Fisheries and the relatively small group of advisers he has within the department.

• (5:00 p.m.)

In other words, this is a national matter and should be dealt with as one of national importance by the federal government and the external affairs spokesmen for Canada. I say this, Mr. Speaker, because of my experience in dealing with the protection of our coastal fisheries during consideration of the fishing zones act. It was very difficult at that time to develop any real sense of interest or momentum in the then Secretary of State for External Affairs who appeared to be constantly preoccupied with other matters. He was evasive in his answers in the House and little concerned about the effectiveness of that legislation.

I think some of the events that have taken place since then verify the fact that had our Department of External Affairs been prepared to be more direct and militant in the matter, some of the problems facing us today might not exist. I wish I could say, Mr. Speaker, that the member for South Shore and his colleagues were as vociferous and as strong in the presentation they made in 1964, when this matter was before the House, as the member for South Shore was in his speech today.

I wish the members of the official opposition had been prepared to support those of us who were attempting at that time to have the straight base lines laid down by act of Parliament instead of taking the wishy-washy position they took at that time. The wishy-washiness of the then Secretary of State for External Affairs was outdone only by the wishy-washy attitude of the member for South Shore who was then the member for Queens-Lunenburg.

Mr. Speaker, I am prepared to support this bill although I do not expect it will accomplish a great deal. However, I am happy to see that there is an indication in it that our Minister of Fisheries has some concern that we enter into negotiations with the Soviet Union and other fishing powers who are encroaching upon the fishing resources of our continental shelf. I hope that the fact this bill has come before the House and there has been an expression of concern about the Minister of Fisheries having to carry the burden of these matters alone, may move the govern-

ment to action which will provide better protection for our fishing resources than has heretofore been the case.

Mr. David Anderson (Esquimalt-Saanich): Just a brief word, Mr. Speaker, to endorse this bill. It is a small bill and a small change to the act—it totals only three lines—for the provisioning, servicing and repair of vessels which are maintaining a foreign fishing fleet at sea. It is a very good step in the right direction, small though it is, and it must obviously be followed by more legislation and completion of the base lines system.

This bill is a good one and I would not have spoken on it had it not been for the amendment proposed by the spokesman for the Conservative Party, the hon. member for South Shore (Mr. Crouse). I think it would be unwise for this House to accept that amendment. The suggestion that the Lieutenant Governor in Council of any province should decide whether foreign vessels should come into the ports of a particular province could lead to a situation where the merchants in towns such as St. John's, Halifax or Lunenburg, could say, "Let us be the first to do this, because the whole foreign fleet will come here and we will have a big trade with the foreign fleet and the maintenance vessels."

This could lead to exactly the type of situation we are trying to avoid, that is, having these foreign fleets make use of Canadian port facilities to keep their vessels operating in areas off the Canadian coast. That is what we are trying to get away from. The amendment proposed would completely negate the bill and lead to competition between Maritime provinces for this trade. It would do nothing to improve the situation of Canadian fishermen, although it might do something for the merchants of the ports. I wished to speak only on that point, and I now resume my seat.

Mr. Davis: Mr. Speaker, at the opening of his remarks the hon. member for South Shore (Mr. Crouse) courteously mentioned Mr. Ozere. This gentleman is retiring from service with the Department of Fisheries this year, in which he served two years past the normal 25-year work span of most people. In other words, he was 65 a couple of years ago, and we kept him on. I hope we will be able to rely on his services from time to time in the future, because they have been invaluable.

Mr. Ozere is a quiet man, an effective man who has gained the respect not only of officials in Ottawa, particularly those in the Department of External Affairs, but also abroad where he is well known in the fisheries circles of the world. He has had a hand in the writing of our fisheries laws and has been an effective fighter for Canadian fishermen. I can assure the House that he still has an important influence on our deliberations and on our thinking in relation to the fishing limits of Canada and our relationships with other countries, the protection of our resources, and so on.

I should like to refer briefly to the Coastal Fisheries Protection Act amendment which is before the House. This amendment includes fishing supply vessels under the definition of fishing vessels, so that the Minister of Fisheries can at his discretion limit their entry into Canadian ports. In other words, the minister will be able to exclude supply vessels of large fishing fleets from our ports if to do so is consistent with national fisheries policy.

As I have stated in the House, and I repeat, the government does not intend to exclude foreign fishing vessels of any kind, including supply vessels, from ports in Newfoundland and Nova Scotia. In other words, they will be able to come and go from our ports on the east coast, the principal ones they have been visiting over the years.

The main reason for continuing to service the long-distance fishing fleet of other countries in this way is that if we were to close the ports of St. John's, Newfoundland, and Halifax, Nova Scotia, they would go to St. Pierre and Miquelon, at the French Islands immediately south of Newfoundland and in the mouth of the Gulf of St. Lawrence.

I have been interested in the position taken so far by the members of the Official Opposition. The remarks in the House and in committee leave me with the impression that they are mainly concerned with the business done by the tradesmen, by the retail outlets and the wholesalers in our two principal ports of St. John's and Halifax. They have yet to give voice to the interests of the Canadian fishermen on the east coast.

Mr. McGrath: That is not true, and it is not fair.

Mr. Davis: I am sure the members of the opposition now awakened to their omission will find, if they talk to our fishermen—particularly the inshore fishermen in their own ridings—that to a man they are opposed to the servicing of big fishing fleets; they are opposed to helping them cut their costs by making food, fuel and other supplies available

at lower cost than if the fleets had to send their fishing vessels and their supply vessels back home for these goods and services.

• (5:10 p.m.)

As I said, on the east coast we are vulnerable because they can drop into St. Pierre and Miquelon and obtain the same services they are now obtaining in Halifax and St. John's. However, I doubt very much if our inshore fishermen or our commercial fishermen are very interested or sympathetic so far as this trade is concerned.

Mr. McGrath: The minister doesn't know what he is talking about.

Mr. Davis: The position of some representatives of the Official Opposition is inconsistent in another way. They talk about driving the big Russian, Polish and East German fishing fleets away from our own fishing grounds, away from the grounds immediately off our coasts, away from our Canadian continental shelf. But at the same time they are pleading that we serve these fleets; that the costs of these fleets would be cut if they could be looked after at our east coast ports. They are inconsistent to this extent.

On the west coast the situation is clear. There are no alternative ports in the main body of United States or in Alaska, which will serve the large Russian fishing fleets. They have to send their vessels back home for repairs, servicing and supplies and therefore the additional power we are asking for in the amendment, that of being able to limit their access to Canadian ports for supplies, is useful. It will be useful in our bargaining with the U.S.S.R. and when we confront them with our problem of fisheries conservation on the west coast, as well as when we try to eliminate a tendency of theirs to raid our waters and wipe out whole fish stocks in important fishing areas. On the east coast, as I say, we have a problem because of the existence of St. Pierre and Miquelon.

Mr. McGrath: Why does the minister try to defend his policies in terms of conservation and conservation measures?

Mr. Davis: This has something to do with conservation in that by introducing this amendment we shall be able to bargain, and thereby conserve our fish stocks. In conclusion perhaps I should say a word about the proposed amendment. First of all, it is out of order because it does not deal with any clause of Bill C-134. Second, I think if passed it would be a retrograde step because it would tend to balkanize Canada. Many are critical of Quebec because it has wanted to talk exclusively on some occasions to other nations about a matter that comes under provincial jurisdiction in our constitution, that of education.

Yet here we have members of the Official Opposition who are prepared to turn over to the provinces the national power over fisheries.

They want to turn over to the provinces a power that under the British North America Act clearly and exclusively is a federal power. This is balkanization. This is a national power and not a provincial power, like education. Since I am opposed, as a matter of national interest, to a province's right to talk to other nations even on matters that come under provincial powers, I am doubly opposed to turning over to the provinces even broader powers that are within the federal realm.

Some hon. Members: Hear, hear!

Mr. Davis: The power over fisheries is exclusively a national power and it would be ridiculous in my view to turn it over to the provinces. Can you imagine what would happen? The Premier of Nova Scotia, or his minister of fisheries or external affairs would be talking to the Russians, the Poles or East Germans about whether he would allow their vessels to enter Halifax or other harbours in Nova Scotia and pick up supplies. That minister's policy might be different from that of the minister of external affairs—if you even made such a provincial minister—of an adjoining province, who might have a different policy with respect to foreign fishing fleets.

I think this is ridiculous. We are a nation because we stand together and because by standing together we win more influence in international affairs through having a common policy and following a common course of action. I say therefore, that the amendment is out of order, and second, that it is ridiculous from a Canadian point of view.

Mr. McGrath: It is the minister who is out of order.

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

Some hon. Members: Question.

Mr. Deputy Speaker: Before putting the question, which I intend to do, I would say a

word about the amendment. I have had a chance to reflect on it in more detail and wish to introduce a caveat at this stage. It seems to me, that the amendment goes beyond the scope of the amending bill. Since the amendment has been put to the House, however, I think all hon. members will probably agree that the House ought to decide on it. Is it the pleasure of the House to adopt the said amendment?

Some hon. Members: No.

Mr. McGrath: On division.

Mr. Deputy Speaker: The amendment is negatived on division.

Amendment (Mr. Crouse) negatived.

Mr. Deputy Speaker: The question is now on the main motion. Is it the pleasure of the House to adopt the said motion?

Mr. McGrath: On division.

Motion agreed to and bill read the third time and passed.

CANADIAN SALTFISH CORPORATION

PROVISION FOR ESTABLISHMENT—REGULATION OF INTERPROVINCIAL AND EXPORT TRADE

The House proceeded to the consideration of Bill C-175, to establish the Canadian Saltfish Corporation and regulate interprovincial and export trade in saltfish, as reported (with amendments) from the Standing Committee on Fisheries and Forestry.

Hon. Jack Davis (Minister of Fisheries and Forestry) moved that Bill C-175, to establish the Canadian Saltfish Corporation and regulate interprovincial and export trade in saltfish, as reported (with amendments) from the Standing Committee on Fisheries and Forestry, be concurred in.

Motion agreed to.

Mr. Davis moved that the bill be read the third time and do pass.

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, on the third reading of Bill C-175 the Official Opposition is following the same course it pursued on second reading, which was to declare our approval of the principle of the bill. Although in favour of the principle, we expressed doubts on second reading about certain aspects of the legislation. These doubts were confirmed when the committee heard witnesses and received briefs on the bill from industry representatives, and when the minister appeared before the committee to explain the purpose of the bill and answer questions on its administration.

One concern ran like a thread through the evidence of witnesses and briefs alike. It was a concern that I expressed at second reading. That concern is the complete absence from the bill of any safeguards to soften the impact upon the fishermen and small processors who may be sacrificed for the sake of efficiency. However, all witnesses before the committee indicated their approval of the principle of this bill and no one in the saltsfish industry denied the need for it.

There are, however, two ways of looking at this bill. The administration sees only efficiencies to be brought about by the application of the bill, but those who have lived in close proximity to the saltfish industry see the price that some of the fishermen and small plant processors will pay. In my view, unless this bill is administered in terms less cold than "necessary dislocation", "centralization", "redundancy" and similar bloodless but efficient words, that price will be high indeed.

There are still some questions unanswered in the bill. The most important of these is the question asked by the small plant owner who will, depending upon the manner in which the corporation operates, remain in business or become redundant. The bill spells out no responsibility on the part of the corporation to operate with less than the inhuman efficiency of a computer that has neither a body to be kicked nor a soul to be damned. The bill spells out no specific financial liability on the part of the federal government or provincial governments to assist the small plant owner who may be driven out of business if the corporation operates in a ruthlessly efficient way.

• (5:20 p.m.)

The minister was asked in committee about the procedure to be followed by the corporation when letting out its processing business. He replied that the corporation would call tenders for the processing of all salt codfish. It was explained that this course would be followed in order to bring about the maximum efficiency and returns for the fishermen. I have no argument with this reasoning, Mr. Speaker, but the course to be followed by the corporation does raise certain questions. For example, what becomes of the small plant owner and his employees who can get none of

the corporation's business because he must cover his overheads by bidding one-quarter, one-eighth or one-sixteenth of a cent per pound higher than his bigger competitors who have lower overheads because of their volume of business?

The small salt codfish processor simply cannot convert to processing fresh or frozen fish, for this would mean an almost complete replacement of his equipment. He cannot afford to scrap all his drying equipment, to write it off as a total loss and at the same time finance the purchase of new machinery and refrigeration plant required by the fresh fish industry. In some cases both he and his employees have worked side by side over the years to build up the business and now, through no fault of their own, they will be out of business and unemployed.

Another question is whether the processing operations are to be concentrated in a few centres. If this is done, plants that are not in those centres will be put out of business no matter how efficient they are. In such cases local efficiency will be sacrificed to an over-all average efficiency throughout the participating provinces. There is a concern expressed by industry representatives that the burden of dislocation and redundancy will weigh unequally, not only upon the fishermen and not only upon the processing plant but upon the participating provinces. In other words, provincial governments are asked to opt in or opt out on a guesswork basis. These are some of the questions that are not answered in Bill C-175, and they were not answered by the minister in committee.

I suggest that in the absence of answers there is, and will be, a continuing obligation upon the federal government and the Minister of Fisheries (Mr. Davis) to keep a compassionate eye on the operations and the results of the act establishing a Canadian Saltfish Corporation. I say this because the government has turned loose a monopolistic corporation upon the saltfish industry. It has ordered that corporation to operate on a self-sustaining financial basis and has hammered that order home with a warning that there will be no money from the federal government to pick up a deficit.

The government, in effect, has given the corporation a balance sheet for a heart—a heart that can only beat in the black at whatever sacrifice of redundant humans. I should like the government to have written into this bill some of the findings and conclusions of Mr. Justice Samuel Freedman when he acted as industrial inquiry commissioner on Canadian National Railways' run throughs in 1965. That report was made to the minister's colleague, the hon. member for Cape Breton Highlands-Canso (Mr. MacEachen) when he was Minister of Labour, and was tabled by him in the House. The commissioner, speaking of another federal corporation, said at page 103 of that report:

> The Commission is of the view that an obligation rests upon the company to take reasonable steps towards minimizing the adverse effects which a run through may have upon its employees. That obligation has its root in the principle that when a technological change is introduced the cost of reasonable proposals to protect employees from its adverse consequences is a proper charge against its benefits and savings. Apart from the advantage of expeding traffic, the company's "run through" program would yield monetary savings of nearly a million dollars a year. These savings would be an annual item to be reaped by the company from year to year. Fairness demands that the advantages of the program should not fall all on one side—the company's—and its burdens all on the other—the men's. According, it is proper that the cost of protected measures for employees hurt by the run through should be charged against the savings resulting from it! Admittedly this would reduce those savings, but only at the beginning, for the savings would be recurring while the protective costs would not.

Mr. Justice Freedman had other words of wisdom which I recommend for study by the minister. At page 106 he stated:

> Does a man acquire an equity in his job? To say that he does is not to imply that he is entitled to permanent tenure in it. His services may be terminated, but when they are he should be entitled, by view of his prior service, to some form of severance pay. Admittedly this approach is not in line with traditional attitudes towards the relationship between a man and his job. But it is dictated by considerations of wise social policy, and it is rooted in principles of morality and justice. It is especially relevant in an age of technological change. Nor can it now be regarded as revolutionary. The ground for it has already been broken by industries which have accepted the principle of severance pay as part of an employer's responsibility. The matter is well expressed by the London *Times* in an editorial comment on the Redundancy Payments Bill, a bill recently introduced in the British Parliament, and providing for a legal right to compensation on the part of workers losing their jobs through no fault of their own. The comment is as follows: "At the back of this too is the developing new conception—that a man holds some rights in his job just as an employer holds rights in his property, and that his rights gain in value with the years. In so far as the work done in it is part of an enterprise, he is a part owner, who must be compensated if his share is taken from him."

Finally, I am certain the Minister of Fisheries, as an engineer economist, will find the comments of Mr. Justice Freedman very

interesting where he states the following at pages 132 and 133 of his report:

> Taking a broad, national, long range view and looking at employment in its totality, the economist may be justified in contending that technology does not cause unemployment. Within the picture, however, technology may bring about individual cases of difficulty and hardships, cases which will be multiplied if the general demand for labour is slack.
>
> Economists have focused attention upon the responsibility of government to act with vigilance and wisdom in creating conditions in which technological change may safely and advantageously be introduced. In that regard the role of government is at least twofold. It must be concerned on the one hand with employment policy, that is to say, with adequate policies of economic development to increase the total demand for labour. It must be concerned on the other hand with manpower policy—that is to say, with policies of manpower training, retraining and relocation to create a flexible and mobile work force with fully developed skills.

In his summation Mr. Justice Freedman expressed our concern, and the concern of the people involved in the catching, marketing and processing of salt codfish, over the impact the establishment of the Canadian Saltfish Corporation will have on their industry. We sincerely hope that many of the problems associated with the establishment of this corporation will be resolved satisfactorily, and that it will eventually fulfil its prime objective which is to bring about an improvement in the incomes of all those engaged in the salt cod fishery.

Mr. Thomas S. Barnett (Comox-Alberni): Mr. Speaker, I indicated support for this measure at the second reading stage and I do not intend to repeat the remarks I made on that occasion. I indicated there were some questions that should have been asked in the committee. Of course, a good many questions were asked there. As the House knows, some changes and amendments were made to the bill. I feel in its present form the bill is quite satisfactory. I suggest to the House it represents the beginning rather than the end of something. In other words, by merely putting into effect the words on this paper we really will not be doing very much. By this I mean that the form and substance given to the corporation personnel who will be responsible for managing it and carrying forward its operation will, of course, be the determining factor as to whether this is a beneficial piece of legislation.

• (5:30 p.m.)

I say on behalf of myself and my colleagues that we will be observing the operation and development of this corporation with interest. We will comment from time to time on its operation when we feel the circumstances justify comment. Having said that, since I should like to leave the way open for members who represent areas that are perhaps more directly affected by the bill than the one from which I come, I will conclude by indicating the support of our party for third reading of the bill.

[*Translation*]

Mr. Alexandre Cyr (Gaspé): Mr. Speaker, as a member of the committee which studied the bill, I committed myself to making a few remarks on the motion for third reading.

When the bill was referred to the committee, I suggested several amendments, allowing the fishermen of the Gaspé peninsula to avail themselves in the near future of the facilities of the Canadian Saltfish Corporation and of the regulation of interprovincial and export trade in saltfish.

The bill, as submitted initially, tended to assist fishermen engaged in fishing on a non industrial or family basis. This traditional type of fishing is dependent on the physical capacities of the fishermen.

The volume of the catch as well as the volume of fish processed are directly related to the number of fishermen engaged in this occupation. Undoubtedly, this is what makes non industrial fishing a family undertaking in which women, children and older people have specified jobs.

Fishermen seem to be forced to fish to meet the needs of their family or community, not in any way to raise their standard of living or that of the province or country.

Since the end of the war, fishing has become industrialized in the Gaspé region, through new methods, modernized fish plants and a federal assistance program to promote the building of fishing boats and the construction of adequate harbours and wharves.

Non industrial and family fishing has almost disappeared in the Gaspé peninsula but it still exists on the lower north shore of Quebec.

The Quebec government appears to be willing to conclude an agreement with the Minister of Fisheries and Forestry (Mr. Davis) in order to allow the Canadian Saltfish Corporation to exercise its rights and negotiate with fishermen of the lower north shore who live too far from processing plants. These fishermen have to cure and salt their fish and then they wait for weeks before they are able to sell it to the dealers trading along the coasts.

I would like Quebec to sign as soon as possible this agreement with the federal government so that we may be of some assistance to these isolated and deprived fishermen.

Mr. Speaker, as I said earlier, the salt fish industry in the Gaspé peninsula is far ahead of that in Newfoundland or on the lower north shore. That is why the Quebec Department of Industry and Trade is not in favor of allowing the Canadian Saltfish Corporation to extend its jurisdiction to the Gaspé area. The salt fish from its waters—commonly called "*Gaspé Cure*"—is of a higher quality than the salt and dried cod from Newfoundland. In some countries, moreover, it is a highly appreciated food.

In spite of the high demand for "*Gaspé Cure*" and of the steady increase in the price of salt fish for the past ten years, the Gaspé fisherman used to get 4 cents a pound for his cod in 1960 and in 1969—

[*English*]

Mr. Lundrigan: Mr. Speaker, on a question of privilege, there must be something wrong with the translation of the hon. member's remarks since I heard something that is certainly not the fact. Let us chalk it up to the translation system, but there was something wrong with that last statement.

[*Translation*]

Mr. Cyr: —he received from 4¼ to 5 cents a pound. The fisherman can never ask a reasonable price for his catch.

How is the price the fisherman gets for his fish set? The mechanism through which the effects of demand can bring the best results is the sale of salt fish by auction, whose advantage is to adjust prices according to the variations of supply and demand and according to the quality of the fish. Indeed, this method will be used by the Canadian Saltfish Corporation.

The Gaspé producers of salt fish are negotiating a selling price, in the spring, with the exporters and the price that will be paid to the fisherman is determined according to the terms of the contracts signed with the exporter. The producer sets the price on the domestic market in relation to the export market. The price on these two markets, minus the processing expenses and the profit of the producers represent the other elements used to set the price that is paid to the fisherman.

That is precisely the type of situation the Canadian Saltfish Corporation must remedy by deciding on a reasonable price for the fisherman at the beginning of the fishing season. Any planning for the development of a sector of the economy must be based on existing growth tendencies.

In the Gaspé peninsula, the producers of salt fish have already started to do so; that is why I introduced in committee amendments for the recognition of salt fish producers as agents of the Canadian Saltfish Corporation.

The fisherman who sells his catch to a producer will be protected because section 24, as amended, reads as follows, and I quote:

"The Corporation may develop, establish and operate schemes for payment for cured fish and the by-products of fish curing—"

For a start, the Canadian Saltfish Corporation will attempt to recognize market tendencies to speed up the improvement and the quality of the product and new by-products.

If the Corporation is as important as we hope it will be, a gap may develop between what the market demands, not only from the point of view of quality but also from that of quantity of fish non industrial fishermen are willing to supply.

• (5:40 p.m.)

If the Gaspé area is covered, the Corporation will be able to overcome this obstacle as soon as the Gaspé salt fish producers join the plan. The Atlantic saltfish industry will then be able to acquire broader markets.

The Corporation should aim at marketing more refined saltfish by-products. It is recognized that consumers in industrialized countries buy very little saltfish in its initial condition. It is probably the reason why very few Canadians eat salt cod.

The Saltfish Corporation, in co-operation with the consumer service of the Department of Fisheries, will have to set up advertising campaigns in order to promote the sale of salt cod in Canada.

The future of this product depends more on competition with regard to its various forms than on demand alone.

Saltfish dealers and producers have never made any effort to reach the consumer. They were much too busy trying to dispose of their products on the export markets.

Mr. Speaker, with the permission of the House, I should like to table a chart regarding selling prices of Gaspé salt cod, set in December 1969, f.o.b. Gaspé, as well as the total cod catch in Quebec for the years 1967, 1968 and 1969. These data which will be recorded in

Hansard will certainly be very useful to the Canadian people interested in the fishing industry.

[*English*]

Mr. Davis: He wants it included in the record.

Mr. Deputy Speaker: I might point out that this is a practice we normally do not follow. In fact, we try to discourage it. As I said before, the House is the master of its own procedure and rules. I make the point that this seems to be a bad practice, but I am prepared to put the request to the House.

Mr. McGrath: What, precisely, are we being asked to put in the record?

Mr. Deputy Speaker: The hon. member describes it as a series of figures or tables that he would like to include as part of his remarks in this debate. I think it is a dangerous practice which should be discouraged, but the hon. member has sought unanimous consent.

Some hon. Members: No.

Mr. Deputy Speaker: I take it that unanimous consent is not forthcoming.

[*Translation*]

Mr. Cyr: Mr. Speaker, I withdraw my request.

The bill before us provides for the establishment of a Canadian Saltfish Corporation, which will have to solve the numerous problems of the fishermen in eastern Canada, but what will happen to our fishermen and to the corporation if the cod is driven out of the gulf of St. Lawrence?

It is a recognized fact that cod feeds upon small fish like capelin and herring, which thrive in the gulf of St. Lawrence because herring fishing has not been intensified on the Atlantic coast.

For conservation purposes, the department prohibited, in 1967, the fishing of herring intended for processing plants, during the most productive period of the year.

Since 1967, producers of fish meal made of Atlantic deep-sea fish, increased the number of their fishing fleets and the herring catch has doubled in three years.

Three years ago, the Department of Fisheries and Forestry undertook studies on fishing in the gulf of St. Lawrence in order to determine the herring reserves and it seems that nobody has yet advised the minister to establish restrictions on herring fishing on the Atlantic coast. Must there be a disaster before controls are imposed?

Mr. Speaker, there is danger in increasing fishing in herring reserves on the Atlantic coast, as it can imperil cod fishing as well as the fishing of other species.

I should like to point out to the Minister of Fisheries and Forestry that we want to protect fisheries on the Atlantic coast and that we are afraid that the situation which prevails on the Pacific coast and in the Scandinavian countries will arise in the gulf of St. Lawrence and on the Atlantic coast.

I should also like to mention cod fishermen and ask the minister to undertake negotiations with the Minister of Labour (Mr. Mackasey) so that the unemployment insurance contributions paid by the fishermen will be calculated on a monthly rather than a weekly basis.

Often the weekly catch is low at a given time of the fishing season and normal or excellent at other times.

If calculations are made every month and if price adjustments at the close of the season are taken into account, as recommended by the Canadian Saltfish Corporation, the benefits which the fisherman will receive during the few months of unemployment will enable him to balance his family budget.

Four fishermen on a boat can catch about $500 worth of fish in a normal week. If the 25 per cent provided under the act is deducted, the cod fisherman therefore earns a salary of $100, which enables him to make a fair contribution to the unemployment insurance fund. If the contribution is determined on the basis of a week where the catch is worth $200 per boat, it will be quite small and will tend to reduce the rate of benefits.

I doubt if the Canadian Saltfish Corporation will become efficient within two seasons. The first years will be difficult, which is normal for such a corporation. The directors will have to negotiate with people who are used to depend on government welfare allowances to make both ends meet.

I know quite well the people of those depressed areas. I suggest that the Corporation should maintain a firm attitude from the very beginning of their operations and that the regulations in effect should not be the target of destructive criticisms from hon. members, for the sole purpose of playing politics, because in the long run, the fishermen will be the losers.

Hon. members will have to reserve their comments for the discussion of the Department's estimates or for other occasions such as committee sittings.

Mr. Speaker, as the Corporation must correct a situation which has lasted for more than a century we cannot expect substantial results before two or three years.

I wish the Canadian Saltfish Corporation a long life and congratulate the minister for having given consideration to the problems of the Atlantic fishermen. It is a great stride on the road to a just society.

[*English*]

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, I would like to have 15 or 20 minutes in which to review some of the points we made in the committee and some of the successes we have had. I will take just a few moments to first congratulate the minister for taking the advice of members from Newfoundland who over the past two years have been working very hard to bring about this corporation. I think the minister is now realizing the importance of some of the representations we are making in the House of Commons and is taking our advice. If he keeps this up, it will certainly make a contribution to the fisheries of Atlantic Canada.

The establishment of a Crown corporation is not going to necessarily solve the problems of the salt fishery in Newfoundland. I say that because there is a great tendency, when a move is made to establish a corporation or any such body, for the government to back off altogether and leave it up to the corporation. I can see that the minister will have to work hard, as well as hon. members and members of the corporation, to get this program off the ground as quickly as possible.

We must employ top-notch men. There are all kinds of rumours about the person who will be in charge of the corporation. I think we in the Committee made sufficient representations to the minister to at least assure him that we will not be happy with appointments to the corporation other than on the basis of ability. We will require people who are willing to work really hard, in order for the corporation to succeed and to achieve its major aim, that is, to ensure that fishermen will get more money for their work and their produce. We must have a consistent hard-working effort by the men who occupy key positions in the corporation.

Apart from making that point I want to make just one other observation. We have in Atlantic Canada tens of thousands of salt cod fishermen and people who are directly or indirectly involved in the industry. I am as sure as I am standing here that most of these fishermen are not aware of the features of the marketing corporation, how they will be related to it or what they have to do in terms of quality of produce, which is to be one of the major objectives.

They must know what they have to do. As the minister said to me in conversation one day, "It will be their business, and by and large they will have much of the responsibility of ensuring that the corporation works, by producing good quality fish." If we do not produce good quality fish, we might just as well forget about the corporation and the industry. The fishermen must know what their role is in the corporation, and what the corporation can do for them.

What are some of the major objectives? I am making this point to impress upon the minister and the Department of Fisheries the need for informing the fishermen about the objectives of the corporation. Personally—and I am sure I speak for all members—I am always sending out information concerning statements made in the House by the minister and other members in clarification of objectives such as are encompassed in this corporation. But I think if a formal mailing-piece, even if something similar to what was presented in the committee, were prepared in the form of a pamphlet and sent out to all fishermen, it would go a long way toward keeping them informed and establishing for them some guidelines in respect of the quality of their fish produce.

• (5.50 p.m.)

I should like to draw the minister's attention to an almost unique situation in Newfoundland. I represent Fogo Island. This island has on it 600 or 700 salt cod fishermen. The community comprises about 5,000 people. On that island there is what is almost equivalent to a marketing board—a co-operative. I am not sure whether it is the only co-operative in Newfoundland, but it is the only one of which I am aware. It is very successful. It has the support of the people on the island and as a result of the co-operative the fishermen receive anywhere from a 10 per cent to a 20 per cent higher return for their fish.

This co-operative already has a substantial investment in the industry. It has a great many facilities. Through you, Mr. Speaker, I

ask the minister to ensure that the Fogo Island co-operative is involved in this corporation and made aware of its objectives. I hope it will be taken into consideration when decisions are being made with regard to the agents and others who will act on behalf of the marketing corporation.

I was told by officials of this co-operative only this week that they are happy about the legislation and are very optimistic about it, as all of us are although we have some reservations. This co-operative would have to be the sole agent on Fogo Island, where between 60,000 and 80,000 quintals of fish are produced annually. This is the only major contribution to the whole area. I could speak longer, but I shall not take up any more time in order that the bill may pass before six o'clock.

Mr. McGrath: Mr. Speaker, before you put the question, I wonder whether the minister might be given an opportunity to reply. It is only five minutes to six, and I suggest he has a responsibility to make some comments.

Mr. Davis: Mr. Speaker, I should like to thank hon. members present in the House today—I might even say particularly the hon. members from Newfoundland—for the support they have given this legislation.

We are setting up a new corporation. It is a corporation which in my view is long overdue; a corporation of this kind should have been set up many years ago.

It is a corporation of a nature which has been recommended on occasion by royal commissions and by special committees set up to look into the salt fishery of Canada's east coast. Unfortunately, for one reason or another, the establishment of such a body did not come to pass; we have not had a centralized, export marketing agency. We have not had an organized trade or the equivalent of a trade which would serve the individual inshore salt cod fishermen well, one which would help him know what the market requires and would help him produce quality products in the quantities the market needs so that a higher income could be obtained from his catch.

The hon. member for South Shore (Mr. Crouse) referred to the corporation, in its present draft form, as a bloodless and indeed heartless corporation. It must not be that. It cannot be that. Obviously the corporation in its first weeks and months will be a blunt instrument. I think it is up to all of us to try to improve it. Later we may want to improve the legislation. But the corporation itself will deal with many of the problems, if not all of them, which confront the inshore cod fishermen on Canada's Atlantic coast. But this legislation will have to be fleshed-out, humanized and supplemented by other measures. With this I agree.

Reference was made to centralization. There was particular reference to redundancy. The problem of redundancy was discussed at some length in the committee. This is a matter of concern to the salt fish trade, particularly in Newfoundland, but also in Nova Scotia and Quebec. There is no reference to redundancy in the act. Redundancy is a matter to be worked out by the federal government and the provincial governments which opt into this scheme.

I understand that all the provinces of the Atlantic area, including Quebec, will opt into the scheme. The reason redundancy has been left out of the bill is that property is a matter for legislation by the provinces. The provinces must have a voice in redundancy since they will have to pass enabling or companion legislation in order to make this operation whole, to make the Canadian Saltfish Corporation whole and able to operate in an effective, constitutional way.

At the present time we are developing a formula which we will propose to the provinces to deal with redundancy. In fact, we will be negotiating this formula with the provinces which will want to know what the formula is and, equally important, what the extent of the redundnacy is before they present their own legislation to the legislatures this spring. I expect that companion pieces of legislation in the five provincial legislatures will be introduced and passed later this year. Redundancy will be dealt with as effectively as possible.

There is a need to rely on a number of other departments, federal and provincial. The Department of Manpower will be concerned with training and retraining to upgrade the salt fishery and help those who want to leave it for better paying jobs. We will have the help of the Department of Industry, Trade and Commerce and the Department of External Affairs in selling abroad. We will have the help of the various provincial departments in making adjustments.

I want to stress that this bill sets up a corporation whose main objective is to improve the lot of the inshore fishermen, particularly those living in remote communities and those on low incomes in the Atlantic region. These people have long needed a corporation of this kind to help rationalize their income. This is a great industry and one which historically was the first in Canada.

Motion agreed to and bill read the third time and passed.

At six o'clock the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Thursday, February 26, 1970

The House met at 2 p.m.

PRIVILEGE

MR. DOUGLAS (NANAIMO-COWICHAN-THE ISLANDS)—STATEMENTS ON WATER RESOURCES BY PRIME MINISTER AND MINISTER OF ENERGY, MINES AND RESOURCES

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I rise on a question of privilege which affects the rights and privileges of all members of this House. On Tuesday last, February 24, as recorded at page 4008 of *Hansard*, the Minister of Energy, Mines and Resources said:

> I reaffirm in the strongest possible terms that no water could be sold to the United States without the approval of the government of Canada. No contemplation of such approval is under consideration by the government.

At almost the same time the Prime Minister made a statement on the question of water export to the United States, as reported in the Toronto *Star* of February 25 under the byline of Mr. Gerald McDuff. The dateline is Ottawa. It reads in part:

> Prime Minister Pierre Elliott Trudeau indicated last night he would be willing to consider selling some of Canada's oil, gas and water resources if studies show they are surplus to Canadian needs.

It is also stated in the article:

> Trudeau told the students there is a "danger of being too possessive" about natural resources.

It goes on to say:

> Trudeau said it's obvious that Canada can't use all of its pure water.

Then, one other quotation from this report:

> Trudeau said the government has a good estimate of oil reserves but only a slight idea of its water resources. The government is studying Canada's water potential, he said.
>
> "I don't want to be a dog in the manger about this. But if people are not going to use it, can't we sell it for good hard cash?"

Here we have two statements, one by the Minister of Energy, Mines and Resources in the House in which he said there will be no export of water without the approval of the government and that the government has no intention of giving such approval, and the other by the Prime Minister, who stated at the same time outside the House that we have more pure water than we can possibly use and that we should be prepared to sell the surplus water for hard cash. I submit, Mr. Speaker, this is contempt of Parliament.

Some hon. Members: Oh, oh!

Mr. Douglas (Nanaimo-Cowichan-The Islands): Either the Minister of Energy, Mines and Resources was misleading the House in what he said last Tuesday or the Prime Minister was seeking to mislead the people of Canada when he said we have surplus water and should be prepared to sell it. I do not believe the House should allow itself to be treated with such disdain.

• (2:10 p.m.)

If Your Honour finds that there is a prima facie case of privilege, I am prepared to move a motion that these conflicting statements regarding the export of water be referred to the Standing Committee on National Resources and Public Works so that the Prime Minister and the Minister of Energy, Mines and Resources can appear and outline what is the definitive water policy for Canada.

Mr. Speaker: The hon. member has given the Chair notice of the question he proposed to raise at this time. I can assure him I have given the matter very serious thought in the meantime. It is always difficult to determine whether there is a question of privilege based on the precedents and practices of the House of Commons. The hon. member knows, as do all hon. members, that it is only in extreme cases that the Chair can rule that there is a prima facie case of privilege in that the privileges of an hon. member or of the House in general have been offended.

The circumstances to which the hon. member refers should, in my view, be interpreted as possibly a source of debate between two members of the government or perhaps between the government and the opposition. Personally, I doubt very much that the hon. member's grievance can be brought forth for consideration and for debate by way of a specific reference to the committee to which the hon. member referred in his statement. I think there might be other ways in which the

matter might be considered. In due course the committee might want to look into the matter, to study the whole question and to hear evidence, but I would hesitate to have the grievance raised by the hon. member for Nanaimo-Cowichan-The Islands referred to a committee by way of a question of privilege.

In the circumstances I hope the hon. member will find some other way to have the matter considered by the House or by the committee in due course.

ROUTINE PROCEEDINGS

COMMITTEES OF THE HOUSE

NATIONAL RESOURCES AND PUBLIC WORKS

First report of Standing Committee on National Resources and Public Works—Mr. Hopkins.

REGIONAL DEVELOPMENT

First report of Standing Committee on Regional Development—Mr. Morison.

[*Editor's Note: For text of above reports see today's Votes and Proceedings.*]

ORAL QUESTION PERIOD

CANADIAN SOVEREIGNTY

STATEMENT BY U.S. GOVERNMENT ON LAW OF THE SEA—CANADIAN POSITION

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I have a question for the Secretary of State for External Affairs. Would he advise the House what is the position which the government intends to take or has decided to take regarding the statement by the United States government yesterday on the law of the sea when it announced that if other countries adopt the same position it would accept the 12-mile limit, with certain reservations regarding fishing rights beyond that limit?

Hon. Mitchell Sharp (Secretary of State for External Affairs): The Canadian government recognizes the need to reach solutions on these questions and thus we agree to the principle of the 12-mile limit for the territorial sea. With respect to the proposals relating to freedom of passage in international straits, and the exploitation of fisheries resources beyond 12 miles, these proposals raise questions of principle for Canada which are under discussion with other countries, including the United States. As these discussions are continuing, I do not think it would be appropriate for me to make any further comment.

Mr. Hees: A supplementary question. In view of the fact that other important maritime nations are now stating their positions with regard to the law of the sea, and in view of the difference between the minister's statement in reply to a question put by myself in this House last Thursday regarding northern sovereignty and the statement made in answer to a question at Carleton University by the Prime Minister a few nights ago on this same subject, does the minister not consider it is high time the government should make a clearcut statement that all other maritime nations can understand regarding our position?

Mr. Speaker: Order. It seems to me the hon. member is repeating substantially the first question. That is hardly a supplementary.

Mr. Hees: On a point of order, Mr. Speaker, I am asking the minister if he does not consider that Canada should make a clear-cut declaration that people can understand, because the people of Canada and of other countries round the world do not know where the government stands on this important matter.

FISHERIES

CANADA-U.S. DRAFT AGREEMENT ON FISHING PRIVILEGES

Mr. Frank Howard (Skeena): Mr. Speaker, I would like to ask a question supplementary to that just asked by the new leader of the opposition.

An hon. Member: The old leader of the opposition.

Mr. Howard (Skeena): What progress is being made on ratification or otherwise of the draft agreement with respect to reciprocity in regard to fishing rights?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, the draft agreement has not yet come before cabinet.

EXTERNAL AFFAIRS

PROPOSED U.S. NUCLEAR TESTS

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I ask the Secretary of State for External Affairs a question

following his answers yesterday with respect to the report which has appeared in the press that there will be a second underground test on Amchitka Island in the Aleutians? The minister said yesterday that he had received no notification from the government of the United States. Does he intend to make inquiries of the United States when such an underground test will be undertaken and what the strength will be, and on the basis of that evidence will the government then decide whether or not to make representations to the United States, along with other countries which I understand are protesting?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I think the hon. gentleman has misunderstood what I said yesterday. I did not say that we did not know approximately when the next tests would take place. We had been told they were approximately a couple of years off, and some indication was then given of when they would be held. What we have not yet received is information on the first test, upon which we could base any protest we might think it was suitable for us to make. It should also be understood that the Canadian government is opposed to underground tests, whether by the United States, the Soviet Union or China.

Mr. Douglas (Nanaimo-Cowichan-The Islands): A supplementary question. In view of the concern of the people living on the Pacific coast, both in Canada and the United States, is the minister urging the government of the United States to supply him with the necessary data on the last test so that the Canadian government will be in a position to make an intelligent appraisal of the situation and register its protest if the test is of such magnitude as to constitute a danger to the people living on the Pacific coast?

Mr. Sharp: Mr. Speaker, I have already indicated to the House on several occasions that we have inquiries with the United States government now.

[*Translation*]

CANADIAN SOVEREIGNTY

GEORGES BANK—PROTESTS BY UNITED STATES RESPECTING ISSUE OF OIL AND GAS EXPLORATION PERMITS

Mr. Léonel Beaudoin (Richmond): Mr. Speaker, I have a question for the Secretary of State for External Affairs.

Could he tell us whether he is aware of protests made by the American government concerning the issue of permits for developing underwater natural gas and oil wells in the Gulf of Maine?

[*English*]

Hon. Mitchell Sharp (Secretary of State for External Affairs): Yes, Mr. Speaker. I think the House knows that there is an unsettled question concerning the line of demarcation on the continental shelf between Canada and the United States in that area. These discussions are continuing and the United States has made a formal statement of its position, just as we have.

[*Translation*]

Mr. Beaudoin: Mr. Speaker, I have a supplementary question for the minister.

Did the Canadian government make sure that these permits have been issued for explorations within Canadian waters?

[*English*]

Mr. Sharp: Mr. Speaker, we have issued permits in waters that we claim are Canadian waters but the provisions regarding the line demarcating the continental shelf between the two countries are subject to agreement between the two countries. If agreement is not reached it is assumed that the equidistant line is the correct line, and we are issuing permits on that basis now.

POST OFFICE

PRESENT POSITION OF MONTREAL POSTAL DISPUTE

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I should like to direct a question to the Postmaster General concerning the mail hold-up still afflicting the people of Montreal and the tangled web of contradictions as to the responsibility for the deplorable condition of the mail service. Can the minister advise if anyone is talking to anyone else about improving this situation, and what are his predictions as to success?

Hon. Eric W. Kierans (Postmaster General and Minister of Communications): Mr. Speaker, as I have said earlier I was in contact with the Secretary of the CSN on Saturday and, as he knows, I am always at his disposition to continue the talks further.

An hon. Member: Is anyone listening?

Mr. Macquarrie: Mr. Speaker, I have a supplementary question. Considering the obvious

non-success of these non-conversations, may I ask if the minister is considering asking the Minister of Labour now to bail him out?

Mr. Kierans: Mr. Speaker, I think I could explain it this way, that the Minister of Labour has a conciliatory role between employees and employers and he is always prepared to carry out that function.

[*Translation*]

Mr. Georges Valade (Sainte-Marie): Mr. Speaker, I should like to ask the Minister of Labour whether he has officially or unofficially intervened in that conflict and if he can give us some information in that connection.

[*English*]

Hon. Bryce Mackasey (Minister of Labour): Mr. Speaker, I think I should state in reply that I fully support the Postmaster General in his purpose of dividing the city of Montreal into five postal zones for the purpose of making tenders more meaningful. Having said this, the minister recognizes that the relationship between the new employers and employees will eventually be a problem of the Department of Labour. My department has agreed, at the suggestion of the Postmaster General, to act as mediator in this conflict.

[*Translation*]

Mr. Roch La Salle (Joliette): Mr. Speaker, I should like to put a supplementary question to the Minister of Labour.

Does he want employees with some 20 to 25 years of service to be dismissed while he remains indifferent to their fate?

[*English*]

Mr. Mackasey: Mr. Speaker, I think the first thing that the unions must learn is that violence and slowdowns are hardly conducive to the proper attitude needed to arrive at a settlement—

Some hon. Members: Hear, hear.

Mr. Mackasey: When the unions realize this it will make my role and that of my department a little easier in taking into consideration the 25 years of service that many of these people already have.

FISHERIES

SEALS—PROTESTS REGARDING EFFECT OF NEW REGULATIONS ON LANDSMEN

Mr. Ambrose Hubert Peddle (Grand Falls-White Bay-Labrador): My question is directed to the Minister of Fisheries and Foresty, Mr. Speaker. Did the minister receive communications today from a number of locals representing Newfoundland fishermen containing protests against the new sealing regulations as they affect landsmen? If so, what action has been or will be taken?

Hon. Jack Davis (Minister of Fisheries and Forestry): Mr. Speaker, I hope the hon. member will help us to clarify the position in their minds. They can take adult seals, seals of the 1969 year class or older.

Mr. John Lundrigan (Gander-Twillingate): A supplementary question, Mr. Speaker. In view of the representations made, would the minister be kind enough to prepare and make a statement clarifying the department's position in detail at a very early date so that hon. members and the sealers affected will be aware of the situation?

Mr. Davis: Mr. Speaker, I think generally speaking the sealers are aware. It is some of these people on the shore who go out individually who have not been fully apprised of the situation. We are doing everything we can to make sure they are informed.

GRAIN

NON-PRODUCTION OF WHEAT—REQUEST FOR STATEMENT ON ACREAGE PAYMENTS POLICY

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, my question is directed to the Minister without Portfolio in charge of the Wheat Board. Is it the minister's intention to make a statement on a policy of acreage payments to induce farmers to take wheat acreage out of production and, if so, when does he intend to make such a statement?

Hon. Otto E. Lang (Minister without Portfolio): Mr. Speaker, I have made some comments about this problem in discussions with prairie farmers. When there is a policy statement on behalf of the government to be announced, it will be announced.

Mr. Gleave: A supplementary question, Mr. Speaker. Is the minister also considering reducing the rates of payment on storage to grain elevators which drew $73 million last year in income?

Mr. Lang: Mr. Speaker, I have no intention of making a statement on the subject of storage in the near future.

Mr. S. J. Korchinski (Mackenzie): A supplementary question, Mr. Speaker. In view of a Canadian Press report that an announcement is imminent, have other countries been consulted about the reduction of their acreage also, and what has been their reaction?

Mr. Lang: Mr. Speaker, this is one of the subjects I discussed in Washington. I think exporting nations with surpluses have realized for some time that this problem must be taken in hand. I am sure that international co-operation is going to be important in this area.

ACTION TO IMPLEMENT DONATION OF WHEAT BY FARMERS TO FEED MÉTIS

Mr. Korchinski: Mr. Speaker, may I direct a supplementary question to the Minister of National Health and Welfare. Has the minister consulted with the three prairie premiers or his counterparts in the three prairie provinces on the question of granting assistance to people who need it even though the effect of the policies of some of the prairie governments is that all able-bodied people will not be given assistance?

Hon. John C. Munro (Minister of National Health and Welfare): No, Mr. Speaker. I have not had conversations with three prairie ministers on this point.

WHEAT—REPORTED POSSIBLE SALE TO ROUMANIA

Mr. A. B. Douglas (Assiniboia): Mr. Speaker, may I direct a supplementary question to the minister in charge of the Wheat Board. Has the Wheat Board investigated the report of a possible sale of 200 million bushels of wheat to Roumania. If so, what was the result?

Hon. Otto E. Lang (Minister without Portfolio): I have noted the press statements today concerning the proposal to sell Canadian wheat to Roumania for resale to other countries at prices significantly below present market prices. The interest by Roumania in the purchase of Canadian wheat has been investigated fully by the trade commissioner and during a recent visit of two commissioners of the Canadian Wheat Board to eastern Europe. I must say, Mr. Speaker, that I am dismayed at some of the comments in the press that support a proposal that would lower the price of wheat by up to 50 cents a bushel without in any way increasing sales. I fully support the Canadian Wheat Board's rejection of such a proposal and I am confident that those supporting orderly marketing will share my views. As the minister responsible to Parliament for the operation of the Canadian Wheat Board, I am particularly annoyed at the suggestion that they are sitting in their offices rather than actively pursuing sales opportunities.

Mr. Speaker: Order, please. I would think, if the minister wishes to make a statement, that it should be made on motions.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, may I direct a supplementary question to the minister, to which the answer I am sure can be very brief. In order to counteract the growing feeling of frustration and alienation in western Canada, will the minister ensure that the statement he makes includes a measure of substantial aid in a wide variety of fields for the depressed agricultural industry of the west?

Mr. Lang: Mr. Speaker, as we have indicated before, all aspects of the problem are being taken into consideration and I will certainly hope to include the entire problems of the agricultural industry in any statements which we propose to make.

WHEAT—RESPONSIBILITY FOR BOXCAR DISTRIBUTION—APPOINTMENT OF CONTROLLER

Mr. John L. Skoberg (Moose Jaw): Mr. Speaker, may I direct a supplementary question to the Minister without Portfolio in charge of the Wheat Board. Since the minister has indicated that the allocation of boxcars to certain delivery points is the responsibility of the elevator companies and, in one particular case, the responsibility of the Saskatchewan Wheat Pool, will the minister tell the House who has the authority with respect to the distribution of boxcars at the present time? Is it the minister's department, the Canadian Wheat Board, the railways, the elevator companies or other bodies? At the same time will the minister indicate whether he is now prepared to appoint an over-all transport controller in order to alleviate this hodge-podge of confusion?

Hon. Otto E. Lang (Minister without Portfolio): Mr. Speaker, the allocation of boxcars under the block system operates on a co-operative basis. A person on the staff of the Wheat Board is in charge of the directing. When cars are allocated to a particular block or to particular elevator company blocks it is

the responsibility of the elevator company to decide at which delivery points these cars will be placed within that block.

HEALTH AND WELFARE

LACK OF FOOD FOR MÉTIS—CRITERIA USED BY INSPECTION TEAM

Mr. A. C. Cadieu (Meadow Lake): Mr. Speaker, may I direct a question to the Minister of National Health and Welfare. Would the minister inform the House as to what criteria were used by members of the delegation his department sent to northern Saskatchewan to assess the need of Métis people for food? I ask this question, Mr. Speaker, in view of the fact that the delegation reported no cases of dire want despite the fact that one of the families visited, a family of five, had total provisions of two and a half loaves of bread, a bit of lard, some potatoes and seven eggs when visited later by a member of the National Farmers Union?

Hon. John C. Munro (Minister of National Health and Welfare): Mr. Speaker, what the people who went from the federal government found was precisely what the Métis leaders in the constituency found, that there was no starvation. There is no doubt they did not talk about abundance. There is no question that there are many people in need there, but there was no starvation. I think that was made clear by the leaders. If there was the type of deprivation and starvation that has been talked about, I think it would constitute grounds for emergency welfare that could override provincial jurisdiction which is paramount in this particular area.

Mr. Cadieu (Meadow Lake): In view of the evident problems in assessing the degree of direness of the want of these people, would the minister consider making public a detailed report of the circumstances found by the delegation during their visit?

Mr. Munro: Mr. Speaker, I will be pleased to bring the findings of the members of the delegation together and make them public.

ACTION TO IMPLEMENT DONATION OF WHEAT BY FARMERS TO FEED MÉTIS

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, in view of the statement made by the Minister of National Health and Welfare, may I direct a supplementary to the Minister without Portfolio in charge of the Wheat Board? In light of the need of the Métis people that was described by the Minister of National Health and Welfare, is the minister now prepared to undertake to have the Wheat Board regulations amended sufficiently to enable groups of farmers who desire to do so to take some of their wheat and have it milled into flour for distribution to these families on a voluntary basis?

Hon. Otto E. Lang (Minister without Portfolio): As I indicated the other day, Mr. Speaker, there are various ways in which farmers can, quite apart from the Wheat Board agents, have wheat milled into flour in a particular province. The problem with the Wheat Board agencies being used relates to the total problem of pricing of wheat in the area and the problem of supervision when wheat of different prices is going into the milling process. For some time the hon. member has urged that a two-price system be used in connection with wheat. A two-price system is in effect now and it would be practically impossible—

Mr. Speaker: Order, please. I think this is debate.

USING OF FISHERIES PRODUCTS TO FEED MÉTIS

Mr. Frank Howard (Skeena): I would like to direct a supplementary question on this matter to the Minister of Fisheries who is not impeded by any organization such as the Wheat Board. Will the minister undertake to make an investigation with regard to surplus or even non-surplus fisheries products to see whether through the aegis of his department these products, which are high in protein, might be made available to the people in that area of Saskatchewan?

Hon. Jack Davis (Minister of Fisheries and Forestry): We will certainly look into this, Mr. Speaker.

[*Translation*]

POST OFFICE

MONTREAL—USE OF ARMED FORCES TO TRANSPORT MAIL

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I have a question for the Postmaster General and Minister of Communications.

Does he still believe that in the end he will have to request the Canadian armed forces to carry out the postal service in Montreal?

Hon. Eric W. Kierans (Postmaster General and Minister of Communications): I have never said anything like that, Mr. Speaker.

Mr. André Fortin (Lotbinière): Mr. Speaker, I wish to ask a supplementary question.

Since somebody from the office of the Postmaster General and Minister of Communications said a few hours ago that the minister intended to seek the intervention of the Canadian armed forces in the postal conflict, would the minister indicate whether that possibility is being considered?

Mr. Kierans: Mr. Speaker, first of all, I would like to check the allegation of the hon. member for Lotbinière.

[*English*]

EXTERNAL AFFAIRS

NEW COMMITMENTS TO OECD RESPECTING TRADE CONCESSIONS TO DEVELOPING NATIONS

Mr. Bruce Howard (Okanagan Boundary): Mr. Speaker, I have a question for the Secretary of State for External Affairs. Did the government make any new commitments to the Secretary General of the Organization for Economic Co-operation and Development during his visit to Ottawa on Tuesday and Wednesday regarding Canadian trade concessions to developing nations?

Hon. Mitchell Sharp (Secretary of State for External Affairs): No, Mr. Speaker. It was not necessary to make any commitments to Mr. Van Lennep, the Secretary General of OECD, when he was here. We have already made a very substantial offer of concessions to developing countries in order to promote their trade.

Mr. Howard (Okanagan Boundary): I have a supplementary question for the Minister of Industry, Trade and Commerce. What are the so-called sensitive items that Canada is intending to withhold from proposed concessions at the May 21 meeting of the OECD representatives?

Mr. Speaker: Order, please. I think this is information of a general nature which normally ought to be given on motions by the minister.

GRAIN

APPEAL OF JUDGMENT DECLARING WHEAT BOARD QUOTA REGULATIONS UNCONSTITUTIONAL

Mr. Eldon M. Woolliams (Calgary North): I wish to direct this question either to the minister in charge of the Wheat Board or the Minister of Justice. In view of the decision by a magistrate's court that the Wheat Board regulations in reference to quotas are unconstitutional, is the Department of Justice considering appealing this decision? If the minister is not prepared today, will he report to the House later on this decision which affects the whole jurisdiction of the Canadian Wheat Board?

Hon. John N. Turner (Minister of Justice): Mr. Speaker, I have not yet received a copy of the judgment of the magistrate in the case of the Queen against Victor Jorgenson, to which I believe the hon. member for Calgary North is referring. The point at issue is of such importance that an appeal is being instituted immediately. In these circumstances I do not think it is proper for me to say anything more at this time.

Mr. Woolliams: A supplementary question, Mr. Speaker. In view of the fact this is a constitutional question affecting the whole economics of agriculture, would the minister be prepared to have his department pay for solicitors for the farmers and producers who will have to argue a difficult constitutional question before the high courts?

Mr. Turner (Ottawa-Carleton): I think the Attorney General of Canada has an interest in preserving the validity of that legislation as well.

Mr. Woolliams: A further supplementary. I wonder if the minister would answer the question? I appreciate that the government will be represented, but is the minister prepared to recommend, because of the plight of the farmers and producers, that his department pay for counsel so their position will be put fairly and squarely before the courts?

LABOUR CONDITIONS

RATIO OF LAY-OFFS IN CANADIAN AND U.S. AUTOMOBILE INDUSTRIES

Mr. Gordon Ritchie (Dauphin): I wish to direct a question to the Minister of Industry, Trade and Commerce. Can the minister tell the House whether the recent heavy lay-offs of workers in the Canadian automobile industry were in the same ratio or proportion as those in the United States?

Mr. Speaker: It seems that the hon. member is asking for statistical information. I doubt that the question is in order.

Inquiries of the Ministry

THE CANADIAN ECONOMY

INFLATION—IMPOSITION OF POSTPONED RAILWAY FREIGHT RATE INCREASE

Mr. David Lewis (York South): Mr. Speaker, I wish to direct a question to the Minister of Consumer and Corporate Affairs arising out of an announcement that the railways will institute a postponed freight rate increase on March 1. In view of the fact the postponement of that increase was one of many which were made at the express request of the government, will the minister take steps to persuade the railways not to institute the increase at this stage in that it would create a very dangerous precedent?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, I will have discussions with my colleague, the Minister of Transport. What we are concerned with is that any increase should be within the terms of the pricing criteria of the Prices and Incomes Commission.

Mr. Lewis: A supplementary question, Mr. Speaker. In view of the fact that these increases are going to be implemented on March 1, only a few days from now, and there will not be any opportunity for studying whether they are justified by alleged cost increases, what steps will the minister take to get a further postponement in order to assure himself that the price increases are justified?

Mr. Basford: Mr. Speaker, it would have to be the Minister of Transport who would answer that question.

HEALTH AND WELFARE

NATIONAL HEALTH PLAN PAYMENTS FOR OPTOMETRIC SERVICES

Mr. Robert Muir (Cape Breton-The Sydneys): Mr. Speaker, my question is for the Minister of National Health and Welfare. Some days ago I posed the following question, notice of which was taken by his Parliamentary Secretary:

> Now that a consensus has been reached among the provinces regarding optometric services, can the minister advise when these services will be acceptable for cost-sharing payments under the national health plan?

Hon. John C. Munro (Minister of National Health and Welfare): I am not prepared to accept the terms of the hon. member's question that there is the kind of consensus that he alleges. In any event, at the last federal-provincial meeting of health ministers it was indicated that it is very doubtful as far as the federal government is concerned whether we can entertain any extensions until all the provinces are in medicare, which is not the case yet. We expect hopefully that by the end of this year they all will be.

Mr. Muir (Cape Breton-The Sydneys): A supplementary question. I suggest that if the minister would check with the provincial ministers of health who were at that conference they would advise him there was a consensus. May I also ask whether it is the intention of the minister and the government to make these services available to the people who reside in the provinces which are now in the national health plan?

Mr. Munro: No, Mr. Speaker. No decision has been made in that regard for the reasons I have indicated. The position of the federal government was made known to the provincial ministers: until all the provinces were in medicare under the original provisions of the bill we would not be prepared to consider extensions.

Mr. Muir (Cape Breton-The Sydneys): May I inquire as to the reasons behind the thinking of the minister and the government that all the provinces must be in the health plan before supplementary services can be made available?

Mr. Munro: It is our view—it is certainly my view—that the entrance of all the provinces in medicare would be greatly enhanced if we kept to the original concept before diluting it with other considerations which are of a controversial nature in some provinces.

Mr. Speaker: Order. Before this develops into a debate I suggest we turn to another subject.

FORESTRY

ESTABLISHMENT OF LUMBER MARKETING BOARD

Mr. Ralph Stewart (Cochrane): I have a question for the Minister of Fisheries and Forestry. In consideration of the growing problems in the forestry industry which are reaching critical proportions, particularly in northern Ontario, due to an ever-descending price structure, is the government planning to establish a marketing board for lumber?

Hon. Jack Davis (Minister of Fisheries and Forestry): The answer is no. We are, however, looking into and, indeed, endeavouring to assist in the establishment of a future market for lumber in this country.

[*Translation*]

REGIONAL ECONOMIC EXPANSION

FEDERAL PARTICIPATION IN CONFERENCE ON DEVELOPMENT OF NORTHERN QUEBEC

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I have a question for the Minister of Regional Economic Expansion.

On March 18 next, the Chamber of Commerce of the Province of Quebec will hold a symposium on the development of northern Quebec. Could the Minister of Regional Economic Expansion tell the House whether he intends to attend this symposium or to delegate to it one or more officials of his department in order to become acquainted with the studies that will be carried out?

Hon. Jean Marchand (Minister of Regional Economic Expansion): First of all, Mr. Speaker, I will check to see whether I was invited; then I will see if time allows me to attend.

SAINT-HYACINTHE—ESTABLISHMENT AS DESIGNATED AREA

Hon. Théogène Ricard (Saint-Hyacinthe): In turn I would like to address a question to the Minister of Regional Economic Expansion.

In view of the high and rising unemployment rate in the St. Hyacinthe region, could the minister tell the House whether he has decided to set it up as a designated area?

Hon. Jean Marchand (Minister of Regional Economic Expansion): No, not yet, Mr. Speaker.

Mr. Ricard: I wish to ask a supplementary question, Mr. Speaker.

About what date can we expect to have a decision in the matter?

Mr. Marchand (Langelier): Mr. Speaker, I am not yet thinking of any particular date.

[*English*]

DESIGNATION OF OTHER AREAS IN SASKATCHEWAN AND ELSEWHERE

Mr. James A. McGrath (St. John's East): Mr. Speaker, I have a related question for the Minister of Regional Economic Expansion. Has the government yet reached a decision regarding the designation of new areas of Saskatchewan as requested by the premier of that province, and are any other regions of the country under consideration for designation?

Hon. Jean Marchand (Minister of Regional Economic Expansion): We have not reached any decisions yet in this connection.

An hon. Member: Will you ever?

UNEMPLOYMENT INSURANCE

BARRIE, ONT.—PAYMENT OF CLAIMS

Mr. P. B. Rynard (Simcoe North): May I ask the Minister of Labour whether he has received a telegram from the United Electrical Workers of Barrie complaining about the lack of action and the delay in connection with unemployment insurance claims?

Hon. Bryce Mackasey (Minister of Labour): Yes, Mr. Speaker, and due to the courtesy of the hon. member for Simcoe North I am able to report that all these claims have been dealt with, and those people who are entitled to retroactive payments have received them. In addition, I have asked for a full report in order to ascertain who is responsible—whether it is the officials of the Unemployment Insurance Commission, in which case disciplinary action will be taken, or whether it is the employers, as I suspect may have been the case, because their total records were not available at the proper time.

An hon. Member: That is a good answer.

[*Translation*]

INDUSTRY

TEXTILES—ANNOUNCEMENT OF NEW GOVERNMENT POLICY

Mr. Roch La Salle (Joliette): Mr. Speaker, I have a question for the Minister of Industry, Trade and Commerce.

In view of the present difficult situation faced by the textile industry and knowing that thousand of workers of that industry are to organize a march on Ottawa to meet the minister, can he can tell us whether he will soon announce the policy of limitation of textile exports, which would benefit Canadian industry?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, I am doing my very best to do so.

Inquiries of the Ministry

[*English*]

TRADE

SURCHARGE ON MEXICAN TEXTILES—EMBARGO ON CANADIAN NEWSPRINT

Mr. Ambrose Hubert Peddle (Grand Falls-White Bay-Labrador): I have a question for the Minister of Industry, Trade and Commerce. Will the minister advise us whether negotiations have been resumed between his officials and officials of the government of the Republic of Mexico in connection with the imposition of a surcharge on Mexican textile materials entering Canada and the placing by the Mexican government, in retaliation, of an embargo on all Canadian newsprint?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): If these negotiations have not been resumed today I have great hopes they will be resumed very soon. The problem is a very difficult one. As hon. members know, the Mexicans last year increased their export of cotton yarns to Canada by about ten times. We had to act. We imposed the surtax in November last and the Mexicans have formed a very low opinion of our move in this instance. We feel we were justified, though, and we are trying to come to terms with them now.

Mr. Peddle: Will the minister agree to make a statement in the House as soon as negotiations are resumed?

Mr. Pepin: I will keep the House informed.

[*Later:*]

Mr. David Anderson (Esquimalt-Saanich): My question is supplementary to the one dealing with restraint on textile imports. It is directed to the Minister of Industry, Trade and Commerce. What steps have been taken to make sure that the interest of the Canadian consumer is being represented at these negotiations with foreign governments?

HOUSING

NATIONAL COUNCIL ON HOUSING AND URBAN AFFAIRS

Mr. John Gilbert (Broadview): This question is addressed to the minister in charge of housing, Mr. Speaker. Having regard to the hon. gentleman's recent statement that he is encountering difficulties when it comes to talking to representatives of the municipalities on the subject of housing and urban affairs, may I ask whether it is the intention to set up a national council on housing and urban affairs in an attempt to overcome these difficulties?

Hon. Robert K. Andras (Minister without Portfolio): Once again the hon. member's premise is inaccurate. I think the statement to which the hon. member referred was simply an explanation on my part that the federal government was willing to talk to anyone with expertise and advice to offer in the field of housing and urban affairs.

HALIFAX—RELUCTANCE OF FEDERAL EMPLOYEES TO ANSWER QUESTIONS

Mr. Lincoln M. Alexander (Hamilton West): This is a related question, Mr. Speaker. It has to do with a project of particular concern to the Halifax and Dartmouth area known as the Encounter on Urban Environment. Having regard to reports which indicate that federal civil servants were reluctant to answer questions addressed to them with regard to housing from people interested in this project, will the minister look into this matter with particular reference to the lack of co-operation shown?

Hon. Robert K. Andras (Minister without Portfolio): I saw the press report, too. It was interesting, and I am trying to find out what happened in Halifax.

VETERANS AFFAIRS

REQUEST FOR INTERIM INCREASE IN PENSIONS AND ALLOWANCES

Mr. W. B. Nesbitt (Oxford): I have a question for the Minister of Veterans affairs, Mr. Speaker. Bearing in mind recent announcements by the government that there will be a large budgetary surplus amounting to several hundred million dollars this year, would the minister be prepared to make an announcement as soon as possible that an interim payment will be made to those receiving war veterans allowances and pensions prior to a final adjustment based on the recommendation of the Committee on Veterans Affairs? I realize it will take some time, because of the lengthy discussion of the Woods report—

Mr. Speaker: Order. The question has been asked and perhaps the minister would like to reply.

Hon. Jean-Eudes Dubé (Minister of Veterans Affairs): These pensions were increased

in 1964 by 10 per cent, in 1966 by 15 per cent and again in 1968 by 15 per cent. So our past is a guarantee for the future.

Some hon. Members: Hear, hear.

Mr. Nesbitt: Mr. Speaker, I have a supplementary question. Perhaps the minister did not understand my question. I was asking whether he would be prepared, in view of the large budgetary surplus, to make an interim payment prior to final government decision on the matter? A great many of these veterans are quite likely to die before they get any increase, at the rate things are going now.

Mr. Dubé: Mr. Speaker, all of these possibilities are always under consideration and the government of Canada will always stand behind the veterans.

[*Translation*]

FINANCE

QUEBEC—STATEMENT OF NEW LIBERAL LEADER RESPECTING REFUND OF $200 MILLION

Mr. Georges Valade (Sainte-Marie): Mr. Speaker, I would like to ask the Prime Minister a question relating to a statement by the new leader of the Liberal party of the province of Quebec to the effect that if he is elected premier, he could get back the $200 million now levied by the federal government for the medicare scheme. Has the prime minister given this assurance to the new Liberal leader of the province of Quebec, and if so, can he tell the House when we can expect this policy to be implemented?

Mr. Speaker: I entertain serious doubts as to whether the question of the hon. member is in order.

QUEBEC—EFFECTS OF FEDERAL GOVERNMENT REFUSAL TO REFUND $200 MILLION

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I should like to direct a question to the Prime Minister.

In view of the serious financial problems now facing Quebec and of the statement made yesterday by the Quebec Minister of Finance to the effect that Quebec would become independent in 1974 if the federal government does not make any concession regarding the $200 million claimed by Quebec, does not the Prime Minister think that he could serve the separatists' cause by refusing to make any concession or offer any alternative solution to Quebec?

Mr. Speaker: Order. I feel that the comment I have just made for the previous question applies also in this case.

[*English*]

POLLUTION

CHEDABUCTO BAY—SURVEY OF DAMAGE—PAYMENT OF COMPENSATION

Mr. J. M. Forrestall (Dartmouth-Halifax East): I should like to direct a question to the Minister of Fisheries. Has his department undertaken a survey of the potential damage from oil in the Cape Breton area and, if so, has the department arrived at a decision as to how it will approach the question of compensation? Will it be similar to or along the same lines followed in treating the problem in Placentia Bay?

Hon. Jack Davis (Minister of Fisheries and Forestry): Mr. Speaker, our officials are working closely with Dr. McTaggart-Cowan and the government task force's approach to this problem. They are endeavouring to assess the damage which has already occurred and which may occur as a result of oil spill from the *Arrow*.

Once the extent of the damage has been determined we will be in a better position to decide on the nature of the compensation.

SOUTH COAST OF NEWFOUNDLAND—ACTION TO MINIMIZE EFFECTS

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, my question is supplementary. Can the Minister of Fisheries say whether any action at all is being taken by the government to minimize the effect of the oil pollution on the south coast of Newfoundland and on the bird population in that area which is being threatened by extinction, according to reports.

Hon. Jack Davis (Minister of Fisheries and Forestry): No direct action is being taken at the moment, Mr. Speaker.

THE CANADIAN ECONOMY

INFLATION—FURTHER POSTPONEMENT OF COPPER PRICE INCREASE

Mr. David Orlikow (Winnipeg North): Mr. Speaker, several weeks ago as a result of an appeal by the government the producers of

copper, after announcing a sharp increase in the price, agreed to postpone that increase until March 1. The minister said a week or so ago he would make an announcement before March 1 about a further postponement. I wonder whether he has something to report today?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, the deadline is the first of March. I expect to be in a position to make an announcement before then.

Mr. Speaker: Orders of the day.

BUSINESS OF THE HOUSE

Mr. Baldwin: Mr. Speaker, I rise on a point of order. May I ask the President of the Privy Council, as Government House Leader, about the business of the House this week and next, and in particular whether item No. 74, which seems to be of such great interest to members on both sides of the House, is likely to be brought forward?

Mr. Macdonald (Rosedale): Mr. Speaker, we propose for tomorrow item No. 71, Bill S-19, to amend the Parole Act, to be followed by No. 55, Bill S-12, with regard to the Quarantine Act. On Monday next we will call item No. 72, Bill S-20, in regard to textile marketing, to be followed by item No. 70, Bill C-187, in respect of northern inland waters. On Tuesday next the first item will be No. 29, the bill with regard to national parks, to be followed by item No. 49, amendments to the Oil and Gas Production and Conservation Act.

Wednesday next will be an opposition day. On Thursday we will call item No. 47, Bill C-163 regarding a Standards Council of Canada. Our view of the matter of the motion to concur in the Agriculture committee report is that after the very extensive debate that took place I believe a week ago today on the subject matter of the dairy policy we should continue with the rest of the legislative program.

Mr. Baldwin: Could I ask a supplementary question? Can the minister indicate when the government intends to bring forward in this House a proposal to implement the report of the Special Committee on Statutory Instruments which contains one antidote to the spreading poison of executive domination?

[Mr. Orlikow.]

Mr. Macdonald (Rosedale): I would not expect to see that proposal before Easter.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I should like to ask a question with regard to the announcement concerning House business just made by the Government House Leader. Can he now tell the House when the supplementary pensions benefits bill will be introduced and given first reading? I believe this is the title of the bill which has to do with increases in the pensions of federal superannuates.

Mr. Macdonald (Rosedale): Yes, Mr. Speaker. I would hope the bill will be ready by about the middle of next week. Very possibly, with the consent of the House it can be given first reading next Tuesday or Wednesday.

Mr. Korchinski: Mr. Speaker, may I ask the Government House Leader when he intends to introduce the Canada Grain Act amendments so they can be considered, since they may have an effect on the decision made by the agricultural committee on the question they are presently considering?

Mr. Macdonald (Rosedale): This is on the agenda for before Easter and I expect to be able to meet that timetable. I am afraid I cannot say the exact date at the moment. I believe the bill is ready in draft form but has yet to receive final consideration.

[*Translation*]

Mr. Rondeau: Mr. Speaker, I should like to put a question the government House leader.

Is he of the opinion that the report of the Committee on Agriculture presented last week in the House will be considered before the Easter recess?

Mr. Macdonald (Rosedale): Mr. Speaker, as I said the debate that took place on this subject seven days ago was most interesting, but I doubt if we will have the opportunity to go on with it in the near future.

Mr. Fortin: If I understood correctly, Mr. Speaker, does this mean that the motion introduced by the Progressive Conservative party and the amendment that I moved are automatically allowed to stand and that we retain the privilege to make them consistent with Standing Orders?

Mr. Macdonald (Rosedale): Mr. Speaker, it rests with you alone to make rulings concerning points of order.

• (3:00 p.m.)

[*English*]

GOVERNMENT ORDERS

TRUST COMPANIES ACT

AMENDMENTS RESPECTING INCORPORATION, OPERATION AND ADMINISTRATION

Hon. Herb Gray (for the Minister of Finance) moved that Bill S-8, to amend the Trust Companies Act, as reported (with an amendment) from the Standing Committee on Finance, Trade and Economic Affairs, be concurred in.

Motion agreed to.

Mr. Gray (for the Minister of Finance) moved that the bill be read the third time and do pass.

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, my remarks will be very brief at this stage. The committee considered the amendment proposed by the government at some length. We heard from the Superintendent of Insurance who has responsibility for the surveillance of this Act. The committee as a whole was satisfied with the proposal. The companies affected by this proposal were represented before the committee and their representatives indicated their satisfaction with the legislation. As far as the official opposition is concerned, we are generally satisfied with this amendment.

There is yet, shall we say, one point that gives me some concern. That appears to be the degree of competition between the trust companies and banks with regard to the rates of interest they will pay on savings of the public. I think this gives us all a degree of worry. Certainly, the committee was concerned about the question of interest rates and their effect on inflation. I see that two provincially incorporated trust companies this very week have again raised their interest rates on long-term certificates. It would seem to me they are engaging in a nonsensical race, because if it is a case of one side moving up merely to pay more money to the depositors and then turning around and charging higher rates of interest to the borrowers because they have had to pay higher rates to the lenders to the trust companies, then this is merely a case of running around in a circle like a dog chasing its own tail. I think the House generally must watch this point very carefully.

We have no power now to impose restrictions upon these companies. There is no statutory power at the present time or any body to check on these interest rates, but I should like to make this observation at this time because interest rates were raised just when we were considering this legislation. I believe one or two of my colleagues may have some brief remarks to make with regard to this bill. I, personally, have no other objection to these finance bills which are going through. Mind you, there are a number of the provisions which really have no great application. The trust companies have no objection to them. Four bills are coming forward in a parallel stream. I do not know why it was felt that all the amendments had to be applied to all of these Acts. Personally, I am not persuaded about this, but in any event I do not know that there will be any great damage or any great profit from this. We do not know. I think experience will have to tell us. We will have to check with the Superintendent of Insurance as the experience develops under these amendments.

Mr. Max Saltsman (Waterloo): Mr. Speaker, I should like to ask this House not to pass Bill S-8 and in order to assist the House I wish to move an amendment seconded by Mr. Knowles (Winnipeg North Centre). I move:

That the word "now" be left out, and that the words "this day six months hence" be added at the end of the question.

I should also like to ask my friend, the hon. member for Edmonton West (Mr. Lambert), to support this amendment, particularly in the light of the words he used in describing what is going on now in respect of the trust companies. I think his words were "a nonsensical race".

Mr. Lambert (Edmonton West): But this will not affect it one way or the other.

Mr. Saltsman: Mr. Speaker, if this bill passes this entire process will be accelerated because one purpose of the bill is to give additional powers to the trust companies to attract to themselves more funds with the same amount of capitalization. If the hon. member for Edmonton West thinks the race is now nonsensical, wait until the legislation is passed and the trust companies start competing for money with the other institutions. The interest rates of these companies will rise and I submit the effect of this can be nothing but ill because it will cause interest rates generally in Canada to rise very substantially.

When the bill was first brought before the House we heard from the President of the Privy Council (Mr. Macdonald) that this bill was needed in order to make more mortgage money available. He seems to have toned down that aspect, because we do not hear it too often any more although it was raised in the committee by the hon. member for Windsor (Mr. Gray). However, I think it is an entirely discredited argument, particularly in view of some of the statements emerging from the trust companies, as they anxiously await the passage of this bill, which indicate to their investors and depositors that they will now have increased opportunities in more lucrative fields than mortgages.

I suggest that this bill will not increase the amount of money available for mortgages in this country by one iota. To the extent that it increases the amount at all, it will be at substantially higher interest rates than now exist. So I cannot see why the government is so determined to have this bill moved through the House and receive approval. I suspect there is a reason for the government's concern; that is, that the future of the trust companies is not very secure under the present legislation. The trust companies are finding it very difficult to compete against the banks as a result of the increased powers which came to the banks under the new Bank Act and are seeking new avenues for investment and new ways to increase the leverage of their existing capital. I can understand that the trust companies are anxious to have this legislation go through. They are running a business and are anxious to see it do as well as possible.

Our responsibility, however, is something else. Certainly, we are not opposed to anyone in society doing as well as possible. However, we are also here to represent the public interest and to ask ourselves whether the passage of this particular measure, as beneficial as it may be to the trust companies, is really in the national interest. I submit it is not in the national interest and therefore that this bill should not be passed.

There is another reason this bill should not be passed. A complete examination is needed into the role of the financial institutions in our society. This is long overdue. Yes, we did have hearings in committee and we did look at the legislation but all that went on there was a tinkering around, a little change here and there and an examination of things as they are. It is really necessary to go much beyond this tinkering with the financial institutions. We must ask ourselves whether the time has come when the way in which we look at our savings, the way in which we gather our savings and the uses to which we put them, should not be changed. We must ask ourselves whether these institutions fit into a modern society and its needs.

Whatever value these institutions may have had in the past I think has been outgrown or our society has outgrown them. Certainly, in the past they provided a place in which to put savings safely because the reputation of our financial institutions in that regard has been quite high. It is true we have subsidized some of these institutions in the past, such as the life insurance companies, which have grown at the expense of the public purse. The way we looked upon it in the past was that private goods were the sort of be-all and end-all of the activities of our society. But again, it is quite apparent now that there is far more to our society than just facilitating the exchange of private goods. There was a time when the market was less rigid than it is now, a time when the market responded to investors and savers. That is no longer the case. We have gigantic institutions today which tend to dominate and distort market decisions. Therefore, another look must be taken at the way these institutions operate in our society. No one will say there is not a continuing role for private institutions.

• (3:10 p.m.)

I think there is a continuing role for the trust companies and the insurance companies, but certainly not as the major determinant of policies in the market place. I think that they will perform useful and specialized functions. But I do not think that the present powers of the trust companies should be enlarged, certainly not until there is a complete re-examination and evaluation of the role that all the financial institutions are playing in our society. Insurance companies gather a tremendous amount of savings which, I suggest, could be better gathered by governments of various kinds. They could be more efficiently gathered and allocated. If insurance companies want to insure the exotic, like Marlene Dietrich's legs, that is all right for them; but when we are talking about insuring the basic needs of people, what sense do these hundreds of competing companies make any more?

What is wrong with the institutions as they now stand? First of all, they do not respond as effectively as they should to fiscal and

monetary policies. We have very little control over their pattern of investment, and I think we should have more control over it. We have very little control over their pattern of spending. It is a gratuitous insult when, in appearances before the committee, these spokemen are asked what they intend to do about curtailing their spending—particularly after they have just made a statement about the iniquity of government spending and about how restraint has to be exercised—and they say it is not their job; they do not really know what you are talking about. Restraint is something that should only apply to the goverment and to public policies, but hands off private policies; there should be no restraints in the private sector, they say. I do not want to be too hard on them, and I think that they honestly cannot see the point.

These companies think they have an absolute chartered right to do as they please regardless of the effect on the rest of society. If there is to be restraint, it is not their responsibility and it should always be in the public sector. Their responsibility is to make money for their shareholders. This is a kind of responsibility, and perhaps we should not quarrel with it if it is carried on to a limited extent, but when these trust companies and other financial institutions are the chief gatherers of funds in our society, the chief gatherers of the savings of the Canadian people, then the responsibility has to go beyond the making of profit for these institutions.

The banks respond to monetary policies through the Bank of Canada, through changes in the reserve, and through moral suasion. The government does have a considerable say in how banks operate in this country. This is less true of trust and other financial institutions. It is true that the trust companies have to be responsive to the Superintendent of Insurance, but his responsibility is mostly in the area of ensuring the safety of investors and depositors and of ensuring that these institutions are solvent. He has no terms of reference regarding the public interest, and yet such terms of reference should exist. At the very least, every financial institution in this country should be as responsive to the monetary and fiscal policy of the government as are the banks. Perhaps they should be made to be responsive through the Bank of Canada or, if not through the Bank of Canada, then through another suitable instrument. Those instruments do not exist at present, and therefore this bill should not pass.

It may be argued that this bill only enlarges their powers. It does not diminish their powers in any way, so by not passing it we will not have diminished their powers. Some attention should be given to this argument. It is true that if this bill does not pass, the trust companies will still be doing the things they have always done. But I suggest that by passing it we simply throw more fuel on the fire and make the situation even worse than it is now. Surely, there can be no argument in favour of compounding a bad situation. We should remove the existing situation, but until we have an opportunity to do that the least that should be done is to ensure that it is not made any worse, particularly when the government is calling for restraint.

If we look around at our society and ask ourselves what are the real needs of our society and what are the pressing priorities facing the Canadian people, the answer is pretty obvious. We do not have sufficient housing for the low income people. There is no shortage of housing for the rich in this country. Those who have adequate money will find a house. But there is a shortage of housing for those with limited incomes, and passing this legislation will not make any more money available to those who need housing but find themselves with limited resources. The only way of dealing effectively with this kind of problem, if we are serious about any notion of a just society, is to take some of the money from the private sector, put it into the public sector, and make housing available to people who need it because they do not have the means of getting housing. Only public responsibility can ensure that housing will be available for all our people.

We cannot go on ignoring the housing needs of 20 per cent, 30 per cent or 40 per cent of our population. It is unconscionable in a modern and so-called affluent society to see increasing numbers of our people—and it is no longer the poor alone, some of them are supposed to be better off than the poor—unable to finance housing or, if they can raise the down payment, unable to pay the kind of interest rates that prevail in the market. To ask them to approve a piece of legislation that will only compound and worsen their situation is not right. They would want me, as their representative, to stand in this House and say the things I am saying to you, Mr. Speaker.

The government of course is not looking at the cities at all; it does not even know the cities exist. However, if we look at our cities we find some cities where the quality of life is deteriorating, where things that could be beautiful and exciting are collapsing from vulgarities, from inadequacies in transportation and planning. The private sector will not correct these ills. It is the private sector that created them. If the cities are to have adequate public transportation, if there is to be redevelopment, then it is only through the work of the municipal, provincial and federal governments that this will be accomplished.

Sometimes the justification for all these hundreds of competing institutions is that competition is a good thing. It has been demonstrated that whatever these institutions do with each other, it certainly does not conform to the classic concept of competition.

• (3:20 p.m.)

One trust company raises its rate and it is only a matter of days, sometimes only a matter of hours, until the others follow suit. They are all paying the same amount for the same kinds of things and charging the same amount for the same kinds of things. If you ask them they will say, "That is competition; we have responded to competition." But I have always found it difficult to understand why, when responding to competition, everybody ends up with the same price. It seems to me that the rule of competition is to provide alternatives in price, but the new rules of competition mean that everybody will end up with the same price. If everybody will be at the same price what is the use of having these institutions duplicating each other's services, and having separate offices on almost every street corner in our cities? We should be more effective in the use of our resources than that. If you go to one and it is out of money, the chances are that the others will be out of money also.

When you come to the insurance companies, you find they are all working off the same mortality tables. One has a $25,000 package with certain kinds of options, and another has a different $25,000 package with other options, but if you examine them you find they are basically the same thing. We have a lot of talented people as insurance salesmen. I know a lot of them, but they are chasing each other around trying to persuade people that this deal is better than that deal. The person who buys hasn't an idea which is better, because the insurance agent's job is to sell insurance and not to inform people any more than is necessary in order to sell insurance.

When I looked at this legislation, my first impulse was to seek ways of devising amendments that would make these institutions more responsive to public policy, and have them act in a way that would be more in line with the needs of society. I drafted a number of amendments along this line, then looked at the legislation again and gave up the amendments. I think the situation is really too hopeless to tinker with these institutions any more. We need a thorough going examination of the role of our financial institutions.

All things being equal, I for one like to see a lot of things remain in the private sector. I am always reluctant to advocate that some things be moved from the private sector to the public sector unless a good case can be made for it. But I think in this particular instance of the trust companies, the insurance companies and the finance companies—people who gather the savings of this country—we have to start thinking in terms of bringing a lot of their functions under public management, but leaving them with some of their functions that do not involve the public interest to the same extent.

The question is often asked, can you trust your government. It is as though the government were some foreign country. I would suggest, Mr. Speaker, that if you cannot trust your government you cannot trust anyone. Governments at least can be replaced if they do not behave properly or do not have the approval of the people. It is a little more difficult to do that with institutions over which you have no control.

Government has a good record in the field of insurance. We, in Canada, have been pathfinders, if you will, in this direction. I can think of no better example to bring to your attention, Mr. Speaker, than the automobile insurance program in Saskatchewan. I would not dare to repeat the names it was called, when it was first suggested, among the very people who sit in office today in Saskatchewan. Yet, they have continued this program and would not dare do away with it because it has proven its value. Other provinces are now looking at it, and before long every province in Canada will have a form of automobile insurance along the lines pioneered in Saskatchewan. It is a matter of great regret that the federal government does not take some initiative in this area and work with the provinces to bring in a comprehen-

sive national plan of automobile insurance. There are not many voices raised any more against that form of insurance. Even its greatest detractors now accept its value.

There is another area of insurance, and again this was pioneered in that much-maligned province of Saskatchewan, hospital insurance. There is not a province in Canada that does not have it, and I doubt whether there is 5 per cent of the population of the country who would do without it any more. It has proven its value over and over again, and it is a great example of the kind of thing that we have been able to do in the field of insurance through public involvement.

During one election campaign when I was knocking on doors and talking to people about the issues, a man came out quite angrily, waving his finger at me, and telling me about the dreadful hospital insurance program. This was in the early days before people got used to it. He was telling me how terrible it was, how disastrous it would be, and how costly it would be. He said that everything the government touches costs more money, rates go up, and the whole thing becomes more inefficient. He said that when this scheme was in private hands it was very efficient. I did not really know the answer to his particular complaint, but I had a chance to find out. I wrote to the Ontario Hospital Commission to ask what their costs of administration were. Their costs were less than 2½ per cent. Some 97½ cents out of every dollar they collected went for actual hospital insurance, for helping people who were ill. I also looked up the figures of the cost when a private hospital insurance company operated in the province of Ontario. It ran from between 27 cents to 37 cents out of every dollar collected, which is a most compelling reason for the kind of public program that developed.

I am not going to say that just because the government took over that this insurance program it was more effective. Perhaps we could have accomplished the same thing by giving a monopoly to a private insurance company. The real reason for the inefficiency of the private carriers was that senseless, idiotic competition of their's, of which they were so proud. If we had selected a responsible private insurance carrier, and there are a lot of them, and said, "Here is a monopoly. You take charge, except for two things"—if there is going to be a monopoly, then it should be the government that has—

Mr. Speaker: Order. The hon. member might allow me to interrupt him for just a moment. I have some misgivings as to whether the hon. member is not getting away to some extent from the principle of the bill before us. He has been speaking for the last few moments about automobile insurance and health insurance. I appreciate there is a relationship with the bill, but the relationship seems to be a bit distant. The hon. member may want eventually, to return to what appears to be closer to what ought to be discussed on this bill.

• (3:30 p.m.)

Mr. Saltsman: As I pointed out in my opening remarks, we had two objections to the legislation. The first one was that the passage of this bill would be inflationary and the second one was that we needed to examine the interrelationship and the role of the financial institution in our society. I shall try not to stray too far from those two points that we wish to make.

It is not my intention, Mr. Speaker, to retract these remarks. We have spoken on this subject before and we have said some of these things before. It is, however, a last opportunity for us and it is for this reason that my colleagues and I wish to speak. It is the last opportunity in the sense that no longer will it be possible for us to examine these bills relating to financial institutions in private members' hour. Whatever the difficulties may have been with the private members' hour procedure, whatever the criticism may have been, at least it provided an opportunity to take a look at some of these matters.

If we look back over the history of these trust companies, we can see that many of the things we now accept and approve were raised in private members' hour. Now, these bills will not come to private members' hour any more. The minister can approve these changes in financial institutions without recourse to Parliament. I do not know when it will be that Parliament will again have an opportunity to examine this legislation, and some of the other legislation affecting other financial institutions. Therefore, in closing, I would urge hon. members to support the amendment we have before the House. If this bill is passed, I am very certain that it will not be of help to the general policy of restraint; it will be inflationary and in the long run will work against finding a more reasonable and rational approach to the organization of the financial institutions of this country.

Trust Companies Act

[*Translation*]

Mr. Léonel Beaudoin (Richmond): Mr. Speaker, I should like to comment briefly on Bill S-8, An Act to amend the Trust Companies Act.

As it was explained, the aim of this bill is to give additional investment powers to trust companies, set stricter control over those which are in a precarious position, extend investment restrictions in cases of conflict of interests and, finally, establish a system of letters patent for incorporating new trust companies and amending the charters of existing companies.

It is known that under the present act, a trust company can hold and invest trust funds, act as executor or security transfer agent, administer and invest cash deposits, or hold and administer real estate.

Those functions are important, because in Canada there are nine federally incorporated trust companies coming under the federal Superintendent of Insurance, while there are ten provincially incorporated trust companies also coming under the Superintendent of Insurance. Those trust companies alone are administering more than $3.5 billion, while some 40 trust companies coming under provincial jurisdiction are administering assets amounting to almost $11 billion.

Those companies have a great influence on the economy as a whole, because they can invest their assets, their reserve funds, their social capital and their deposits. Most of the investments of trust companies are guaranteed by the Canada Deposit Insurance Corporation Act.

As has been done for Canadian and British insurance companies through recommendations in bills S-6, and S-7, from now on trust companies will be able to make mortgage loans up to 75 per cent of the real estate value, provided the surplus of the loans be guaranteed by a government agency or an insurance company.

Mr. Speaker, we support the legislation which makes more money available to the public while giving it a better protection.

As in the case of insurance companies, Bill S-8 also enables trust companies to establish subsidiaries which will be able to manage mutual funds or mortgage loans companies.

The proposed amendments to the act provide stricter conditions regarding loans to directors, administrators and other important shareholders.

[Mr. Saltsman.]

I believe this is a very reasonable guarantee for the protection of the public.

With a view to ensuring even greater protection to the public, the proposed amendments will enable the Superintendent of Insurance, on advice from the Minister of Finance (Mr. Benson), to better control the operations of these companies, especially when they are in financial difficulties, when they exceed their borrowing powers or when their liabilities surpass their assets. In such cases, the Superintendent of Insurance may cancel their permits.

We are in favour of these provisions as well as the one calling for the yearly renewal of the permits.

Among other substantial changes that we approve of, I would like to mention the obligation for these companies to publish a quarterly statement of their liquidity position and a half-yearly statement of their investments and loans.

As I said earlier, new trust companies are incorporated under letters patent. However, contrary to what was being done, that is, with respect to the joint stock capital, when each case was considered on his own merits, which led to some kind of favoritism or discrimination, the proposed amendment to the act, which we support, will have the effect of doing away with those anomalies, because, from now on, every trust company, in order to start in business, will have to have a minimum capital of $1 million.

We therefore support the provisions of Bill S-8.

[*English*]

Mr. Steven Otto (York East): Mr. Speaker, I was amazed, and I am sure all the banks would be amazed, to know that the defence of their monopolistic position comes from the hon. member for Waterloo (Mr. Saltsman) who has just spoken. He seemed to indicate that there was nothing wrong with allowing the banks to have almost a monopoly in the area of finance, but he seemed to think that there was something very wrong with this bill. May I just take a moment to put him straight by saying that the moral suasion that he speaks about that we, the Canadian people, have on the banks or that the government has, is a myth. Consider that banks have practically relegated to the lowest priority their real purpose of financing commerce and trade, and have gone helter-skelter into the good old usury market of Chargex, Scotiacards and whatnot. At 34 per cent a

year, why not? Where is this money that is supposed to be helping business and industry? Where is the government pressure that is supposed to be exerted on these banks? With all due respect to the hon. member, I would say that any bill which broadens the role of a financial institution to make it closer that of the banks is very much in the interest of Canada.

I think the hon. member misses the real point of this bill, that it is no longer necessary to go through the whole parliamentary system to incorporate these trust companies. It can now be done, under this bill, under letters patent. We hope to see a great many trust companies getting closer and closer to the role of a bank, because if the banks have just thrown away their prime purpose somebody has to absorb it. It is true that trust companies originally were what their name suggests. People deposited moneys on trust and their signature was required for every investment outlay made by that trust company. In short, the companies administered trusts. Today, this has all changed. Trust companies are becoming more and more like banks. I do not share the apprehensions expressed by the hon. member who felt we ought to move carefully because trust companies are becoming more and more like banks. I think this is good and cannot see how anyone can support the amendment put forward.

• (3:40 p.m.)

The hon. gentleman spoke about mortgage money, and suggested it would be in short supply. He is right. Banks are not entering the mortgage market and neither are the insurance companies. Insurance companies and mutual companies have to invest in equities. They have diverted money from the mortgage market because even at current rates of interest they do not find it attractive. Trust companies may follow suit. On the other hand, with passage of this bill we shall broaden the scope of trust companies and they may be able to alleviate some of the shortage of money in the mortgage field.

May I bring to the minister's attention two clauses that will have an important bearing on the future of trust companies. One of those is clause 24, which says that trust companies shall not lend more than three quarters of the value of any property on a mortgage. Having been involved in the business of construction over many years and having seen how trust companies operate, I cannot see why there should be legislation to limit the amount of a mortgage loan. Most businesses lending money on mortgages govern their lending by considering possible losses. For instance, if the potential loss on any loan, or the risk of loss on any loan, is 10 per cent of the value of the property, the loan will be up to a maximum of 90 per cent of the full value of that property. Is the minister saying that mortgage losses are reaching proportions like 25 per cent of equity in real estate? In other words, is he saying that property values have dropped so much that it is absolutely essential, for the protection of depositors, to limit mortgage loans to 75 per cent of the real estate value? Surely, he does not mean that.

Let me elaborate further. This clause will pervert the market, if I may use that term, because mortgages will be made available at rates of interest higher than those current in the market. Why do I say that? For example, Mr. Speaker, a mortgage company may say, "I am sorry, much though we may want to give you a bigger mortgage for your project, we are limited by law to lending you up to 75 per cent of the real estate value. However, you can borrow another 15 per cent of that value from someone else on a second mortgage, and we will lend you money on that mortgage." You see, Mr. Speaker, the only difference is that the second mortgage costs the borrower 16 or 18 per cent. The trust company is entitled to lend money on a note, because after all the mortgage is guaranteed by a note. So, the trust company can say, "We are not putting any mortgage money out but merely guaranteeing a note, which we have the right to do." The trust company makes the profit on the mortgage, that is true. But it is not the depositors who benefit; it is the shareholders.

In the meantime, because of this provision in the bill restricting mortgage loans to 75 per cent of value, the borrower has had to borrow second mortgage funds at 16 or 18 per cent. We ought to hear some rational explanation as to why that limit has been included in the bill. After all, for the last 25 years lenders have lost practically nothing on mortgages. I think the CMHC experience shows that not more than 1.7 per cent of funds lent are lost. Why should mortgages, then, be limited to 75 per cent of value? I think the minister ought to review this. If this bill is not amended, perhaps there ought to be an amending bill.

May I also deal with clause 68 which gives the trust companies the right to hold land. Theoretically, of course, there is nothing wrong with that. After all, trust companies

should be able to hold land for their shareholders. Let me tell the minister what actually happens. The trust company which is to put up mortgage money says to the builder, "Look here, we will give you mortgage money at 10.5 per cent, 11 per cent or 12 per cent, as the case may be, but before giving you this mortgage money we want you to promise us a 50 per cent equity in your project." You see, Mr. Speaker, insurance companies are doing this all the time. Today, when apartment buildings are erected in Toronto and most other centres in Canada, the lending institution putting up the mortgage money demands 50 per cent of the equity in the building. Consequently, over the next 25 years these companies will pile up millions and millions of dollars. In the case of insurance companies, the money will go to policyholders. Most insurance companies are mutual insurance companies. But in the case of trust companies the profits will not go to the depositors who put up the money, but to the shareholders.

An hon. Member: The hon. member should support the amendment.

Mr. Otto: Consequently, in a very short time such trust companies will wind up with fantastic holdings, all at the expense of those who rent the offices or apartments. I should like to see a clause included in the bill to the effect that the equity in any property acquired in this matter shall be the property of the depositors. In other words, if the competition for mortgage funds is so fierce that builders or owners are willing to give lenders a 50 per cent share in the new building, it is the depositors who put up the necessary money in the first place who ought to benefit and not the shareholders.

Many things about this bill are not perfect though by and large I welcome it because it will open new avenues. Trust companies must be adequately regulated. Competition has been the great regulator of the money market. It is competition that ultimately will determine whether those who deposit money with trust companies or banks shall benefit more; but there must be some sort of sense and order to all this, and that is why I welcome this bill which provides that trust companies will not be incorporated as a result of bills passed by the House of Commons but through letters patent. In time, as a result of competition, I hope the trust companies will be able to play a beneficial role.

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, may I say a few words on this bill which I have found quite complicated. I read the proceedings in the Senate with some interest as well as the explanations given by the Minister without Portfolio (Mr. Gray) and the officials before the committee. This bill is a companion to four bills being brought up to date as a result of changes in our economy that have taken place since those acts were first put into effect a considerable number of years ago. This particular bill seems to be divided into two main areas. The first is to make the act more workable, to make the companies more efficient and to improve control by the government agents on any inclination to fraud or mismanagement within the companies concerned. The second, hopefully, is to provide more mortgage money in the future and more money for housing especially.

• (3:50 p.m.)

The liabilities of trust companies have grown from 4.4 per cent for chartered banks after the war to over 15 per cent now. They have been prevented by the Bank Act from competing directly with the banks in many fields.

The Porter Commission, many of whose recommendations were incorporated in the Bank Act, had recommended that the trust companies be allowed to enter the unsecured personal and business loan field; that they be given direct access to the clearance system, and be required to hold reserves with the Bank of Canada. These recommendations have not been put into effect. If they were, there would seem to be little to differentiate them from the banks. However, some trust companies, even if there were changes to make them more competitive with banks, would still likely specialize in estate and trust management and avoid the highly competitive banking business. The record of reasonable success of trust companies would indicate they have been giving competition to the banks. They have demonstrated that the Bank Act was probably overly restrictive previously, and that banking services were not adequately developed.

With regard to the proposed amendment, the suggestion to incorporate these companies by letters patent seems to be a reasonable one, as is the broadening of investment powers. Permitting companies to make mortgage loans in excess of 75 per cent of the value of the real estate, where the excess is insured, seems to be reasonable. Also the Provision to permit companies to make investments at their own discretion up to a

maximum of 7 per cent, the so-called basket provision, seems useful. Of course companies will be empowered to make loans guaranteed under the Canada Student Loans Act, the Farm Improvement Loans Act, the Fisheries Improvement Loans Act and the Small Businesses Loans Act. This seems a good idea.

I now wish to comment on the amendments that would permit investment outside of Canada if the companies are doing business outside of Canada, provided the assets retained in Canada would also cover liabilities in Canada. I think this is a reasonable amendment. It indicates that Canada is not in a financial vacuum. There is much foreign money in Canada and the flow of money is a two-way street. This provision will be adequately protected by the Orders in Council that govern this amendment.

I now wish to deal with the possibility of more money being made available for housing. Although the government is hopeful, there is no real indication that this will necessarily be so. The trust company officials indicated to the committee that they were running on a pretty thin line and that competition was quite intense. We do not know if this change will increase the amount of funds flowing into the mortgage market, especially in the residential field. The bill does permit the companies to expand their investment in this area, but does not guarantee that they will do so. Whether companies will be induced to put more funds into mortgages will depend on the rate of return they can expect to receive, relative to the return on other investments.

The government's hope that this bill will provide important sources of funds for housing is all very well but it will not ensure, as the government thinks, an expansion of their lending activities. If the companies do put funds into medium term securities that are considerably more liquid and offer a competitive rate, there will be no incentive to tie up more long-term money. The bill gives the insurance companies, the conventional lenders, and trust companies, further latitude but it does not guarantee they will take advantage of the new provisions. Also, the record of the life insurance companies in the mortgage field has not been particularly exciting.

In addition to making money available for housing through the Trust Companies Act and companion bills, we also have to consider whether housing is a social problem and whether it should be treated somewhat more directly in a social light. I suggest the government should take a good look at the experience in Germany in the mortgage lending field for housing. It is true in every country that the demand for housing varies a great deal depending on the growth of the population, the growth of cities, the moving around of people and the expense of building. However, the present system of mortgaging houses in Canada is not adequate. Possibly we can learn from the experience of Germany which provided a minimum loan at a minimum rate for prospective home owners.

With this in mind I wish to say that, while I support the bill, I have some reservations about its real effect on providing more mortgage money for housing. If this is the only means whereby the government is studying the problem and providing money for houses for Canadians, it is a sad commentary on their effectiveness.

Mr. Arnold Peters (Timiskaming): Mr. Speaker, I was very interested in hearing the government member a few minutes ago mention the fact that apparently there was no inclination on this side to give the trust companies the same powers as the banking institutions. This may be partly true, but not entirely.

I remember with a great deal of regret that in Canada we used to have a law limiting the banks to a 6 per cent interest rate. We had that through thick and thin, in the periods when the banks were not doing too well and subsequently when they were doing very well. The fact that we had in the Bank Act a fixed interest rate had a great effect on what was done by trust and loan companies as well. I am not opposed to having the same strong controls on the trust companies as we have on the banks. I believe we must have them, but I do not think there is any need for proliferation of all these institutions. Competition, Mr. Speaker, is non-existent.

I think it is safe to say the only difference between the trust companies is whether this week one is giving away stainless steelware, while another is giving an electric blanket, a coin set or whatever may appeal to the manager. I hope the merchandise they are giving away is being purchased at wholesale prices because the trust companies may now be getting into a totally new field, that of merchandising. Most of us when we walk into a bank to deposit our cheque, small or large, know that all this really means is that this money is being put into the bank. A couple of days later we issue cheques for the amount of money deposited. All the banks have done is

distribute our wealth. All we really do is look around to see how many people are in the bank or in the trust company. When I see dozens and dozens of people employed there—I know they are underpaid but even if they get two for the price of one it amounts to the same thing—I realize there is a lot of monkey business going on in the operation which does not involve my deposit or my withdrawal, I am sure.

• (4:00 p.m.)

The need for more than one or two banks is not very apparent to most people. I can understand that sometimes a customer may not like the bank manager or a particular teller, or somebody else on the staff. These are personal matters. Some of the staff in one bank may be more attractive than in another. The personalities may be different, but the function is the same. I believe that when my farmer friends go into a bank or trust company and ask the accountant for a loan for a certain purpose, and get their requests turned down, they are unlikely to meet with better success if they go across the street and try again. This is because the circumstances are identical. They can play around with different people and use different words, they can even use a different language, but the conditions are identical and as a result there is no real competition. If I wanted to be facetious I might say this was true of all the churches, too. They are dealing in the same merchandise; they have the same product to sell; the only difference is in the surroundings and in the methods used. No one would want to put them all into the same box, I grant that, but merely increasing the number would not lead to any advantage.

The hon. member who spoke before me said this legislation was being brought in because changes were taking place. That is not true. That is not why this bill is before us. It is before us today because two or three Members of Parliament delayed the business of these private companies for a long time. They were the victims of a set of circumstances. They were being used, and it was difficult to pass these bills. That is why the present proposals are being made. While I am sure many changes could be made in the way in which we deal with this legislation, I am by no means sure that the method now advocated is the right way of doing it. I am not convinced that sufficient consideration has been given to some of the criticisms which have been advanced in the past.

[Mr. Peters.]

Surely the department dealing with insurance, the department administering the trust and loan companies, must be concerned about the proliferation of these companies. It is my impression that if three or four of us here were as smart as the Senators we could get together, chip in some money, and set up a trust or loan company of our own. It is possible that we would need time for contemplation, though—something we do not have in this part of the building. I have an idea that if we did we could become rich in a very short time. It is not difficult to see upon reflection that a very small amount of money, relatively, is invested by those who form these companies. To be a Senator, of course, one has to be wealthy. A man can get into the House of Commons if the seat is out of his pants or if he does not have a penny in his pockets, but to get into the other place a man has to have visible means. He has to have $5,000. With this amount of money he is able, eventually, to become a director of trust companies, loans companies and, sometimes, even of banks. It seems to me we in this House should have more time for contemplation or a little more affluence. We could probably set up our own trust and loan companies and become well off.

Upon further consideration, though, it occurs to me that this is not really the reason I was sent here. It is not really the reason any of us were sent here. I do not seriously imagine, therefore, that I shall ever embark on the establishment of a loan or trust company. I think most hon. members here would agree that they do not come to Parliament for that purpose, either. So they will probably concentrate on the legislative rather than on the economic side of these bills.

Looking at this measure I find no way of limiting the number of companies. If we were concerned with other kinds of business I am sure we would ask why there should be more of them, or, at any rate, why there should be more than a certain number of them. Why, for instance, should we allow more than three companies to exist? In the case of the banks we have decided that six is the proper number, together with two fringe banks, banks without full privileges—one is limited as to its expansion and the other is limited as to its jurisdiction. We have limited the number, and this has created no hardship.

Even the farmers do not complain—and farmers talk a good deal about their grievances. I have never heard a farmer say: After the fifth bank refused me a loan I got it from

the sixth. Mr. Speaker, if he has not got a loan from the second bank he will probably never get it. I think this is true of trust companies also. Expansion beyond five or six will do no good as far as members of the public are concerned.

We have not laid down what function the trust and loan companies will perform. Surely, they are not being established merely in order that a man can go in and cash a cheque in the evenings or at other times when the normal banks are closed. Is the minister really of the opinion that it is in our interest to establish more near-banks? Why has the decision been taken to expand the jurisdiction of these companies and the role which they are permitted to play? We are making them into something very near banks, yet we have not placed any limitation on the rates they may charge for mortgage money; we have placed no restriction on the direction in which they can place their loans. We have laid down no conditions on behalf of the Canadian people. And I am sure the minister could not care less. He has been told by others, I am sure, that this is what must be done. That is his interest.

The Canadian people, on the other hand, are concerned to see that some types of mortgages are made available at reasonable rates. I believe the guarantees provided in this bill make it possible for the companies concerned to borrow money and lend it at lower rates than those presently charged. For these reasons I am very much in favour of giving this measure a six months hoist and looking at the whole subject again. This time, we should consider it from the point of view of the Canadian public rather than of certain rich financial institutions.

• (4:10 p.m.)

I support the six months' hoist and I hope other hon. members of the House will consider it. Having regard to the statement made by the previous hon. member regarding changing of conditions, I say they have not changed except that it was decided Parliament was not the place to handle petitions for incorporation but that they could be handled much easier under the Canada Corporation Act. I agree with the hon. member for Waterloo (Mr. Saltsman) that this may be the last time we will be able to look at this subject, and six months consideration is not too much.

Hon. Herb Gray (Minister without Portfolio): Mr. Speaker, I thought it might be useful if I attempted to deal with some of the points made by other speakers at this time. The hon. member for Waterloo (Mr. Saltsman) attempted to claim that the proposed amendments would have an inflationary effect. I responded to a similar argument by the hon. member when this legislation was being studied by the finance committee. I said to him that on the basis of a further examination of this point I felt his contention was not correct, although he is entitled to his opinion, of course, even though it may not be a correct one.

I pointed out to the finance committee when this question came up that it was not considered that the proposed amendments to the Trust Companies Act or the Loan Companies Act would be inconsistent with the government's anti-inflationary policy or policies along these lines being followed by the Bank of Canada.

I went on to say that these proposed amendments did not offer any threat to the Canadian inflationary policy of the government. To the extent that new funds are drawn from new savings, the legislation positively contributes to the control of inflation. To the extent that new funds are diverted from other uses, there is no new addition to savings but a new allocation of funds within the economy may well have the effect of being less inflationary if they bring about such things as a switch from bank lending to housing mortgages. I remind the House that the major part of the lending activity of trust and loan companies is in the field of mortgage lending with some important emphasis on lending for residential purposes.

The hon. member for Waterloo went on to repeat the doubt that he expressed in the past that the proposed amendments would actually bring about any increase in lending by trust and loan companies for mortgage purposes. I would again remind the hon. member that if trust companies cannot accept more deposits from the public they certainly will not be able to increase their mortgage loans.

As I have said, an important part of such lending is in the residential field. If they reach the ceiling or the limit provided for under the provisions of the existing legislation they cannot accept more deposits. I submit through increasing or raising the ceiling trust companies would be able to receive more deposits, if people are interested and willing to place their deposits with them, and in this way they would be in the position to increase the amount they have available for lending for mortgage purposes.

I am surprised at the hon. member, on the one hand, seeming to be concerned about the lack of sufficient housing in the country and, at the same time, proposing an amendment which would have the effect of killing the bill, one of whose principal purposes is to enable trust companies, a major sector in the mortgage lending field, to continue and hopefully to increase lending for housing purposes.

The hon. member also said something in a critical way about the increased authority the amendments would give to trust companies to provide more services, but these are likely to be principally to their customers, those who place their savings with these trust companies. This authority would have the effect of enabling the trust companies to meet the requests of those customers and thereby maintain an opportunity for obtaining a reasonable share of the savings of Canadians—savings which, as I have said, the trust companies more than almost any other institution invest in mortgages, again with an important emphasis on residential housing.

One should not forget that trust and loan companies in total have several millions of depositors. Obviously a lot of them are Canadians in the more moderate income classes. Trust companies, from the statistics I have seen, do not cater only to the people of the so-called wealthier group.

The hon. member for Waterloo suggested that the trust companies are somehow less under the control of the Bank of Canada in respect of monetary policy than the banks. The Governor of the Bank of Canada, in his testimony before the finance committee several years ago when the massive amendments to the Bank Act were under study, certainly felt then that trust companies were sufficiently subject to the operation of monetary policy as carried out by the Bank of Canada.

It might be useful to place on the record at this time something the governor said when this question came up before the finance committee on November 1, 1966. I am quoting from page 165 of the proceedings of the committee. The governor stated:

> I am not particularly conscious at the present time that the existence of near banks has prevented us from pursuing a credit policy which has produced a type of credit conditions which we consider to be appropriate in all the circumstances.
>
> Therefore the short summary of the answer I have given to your question is that, on the side of the monetary policy, though the initial impulse is transmitted through the chartered banking system, that provides a sufficiently broad base to assure the central bank that it can exercise the desired control—the desired influence—over credit conditions.

[Mr. Gray.]

One would certainly want to give all due weight to opinions expressed by the hon. member for Waterloo about financial matters, but it would seem to me when it comes to a question as to whether or not monetary policy does in fact apply in an adequate way to one class of financial institution or another in the country, hon. members might reasonably feel they should give greater weight to the opinion of the Governor of the Bank of Canada.

The hon. member for Waterloo commented about the change proposed in handling of incorporations under this act, inasmuch as charters for new trust companies would be issued by the Minister of Consumer and Corporate Affairs (Mr. Basford) if there is concurrence by the Minister of Finance (Mr. Benson). I would again like to say there would continue to be prior investigation of the application by the Superintendent of Insurance in the same way this takes place at present. The ministers will certainly be responsible to Parliament for their actions in making decisions to issue charters. In doing so, they will be exercising the authority given to them by Parliament if it approves the proposed amendments.

I want to assure hon. members that members of this House will continue to have a number of forums in which to discuss the policy matters of considerable importance to which the hon. member made reference. For example, there will be a regular opportunity for doing so every year when the estimates of the Department of Finance and the Department of Insurance are before the Finance Committee and the House. There will be other opportunities during the consideration of such things as the budget, the throne speech and during special debates on opposition days. Of course, there will continue to be opportunities to discuss particular matters of policy when the government of the day presents amendments in future to these measures, as the government is doing at the present time and as other governments have done in the past.

The hon. member for York East (Mr. Otto) made some interesting comments about some of the clauses of the bill. I think one of the points he raised is likely to be taken care of by an amendment to paragraph 2 of section 64 of the Act because this proposed change is to enable the company to invest trust funds on real estate or leaseholds where the investment exceeds 75 per cent of the value of the real estate, provided that the excess is insured under a policy of mortgage insurance

issued by a registered insurance company. At present, as the House will recall, companies can make such excess mortgages only if the excess is insured through a government agency. The proposed amendments obviously will broaden this to authorize such loans if the excess is insured by a registered insurance company.

• (4:20 p.m.)

The hon. member also made an interesting comment about the ability of trust companies to take equity positions in various types of projects. I might mention that I think the legislation states there would have to be overall limits on the total amounts of investments by trust companies in various types of investments including equity, although the question he has raised certainly is one which can be given some further study as the situation develops.

The hon. member for Dauphin (Mr. Ritchie) also made some interesting comments. I should like to remind the House that while it is felt the proposed amendments will be of assistance in providing an adequate supply of mortgage funds for residential purposes, certainly it is not correct to claim that this is the sole effort of the government in this area. Other efforts I might mention are, for example, the amendments last year to the National Housing Act, which have also been approved by the House, and which are having a positive effect on the supply of houses and funds for housing in this country.

The hon. member expressed some doubt as to the degree of effort on the part of the trust and loan companies in the field of lending for residential purposes. I would remind the House that when this matter was being discussed in the Finance, Trade and Economic Affairs Committee I put on the record some information which had been provided on this point. I said that I think it is of some interest that trust companies have been investing some 71 per cent of their guaranteed trust funds in mortgages. Loan companies have been investing some 81 per cent in mortgages, and in the first nine months of 1969 I am informed that 85 per cent of mortgage loans approved by trust companies were not only in mortgages but in fact in residential mortgages. I went on to say I was also informed that of the three largest trust companies more than 80 per cent of their present mortgage portfolio is in mortgages for residences.

The hon. member for Timiskaming (Mr. Peters) made some reference to the amount required to apply for a charter under the present legislation for a new trust company. This point I think is dealt with to some extent in the proposed amendments, since they will provide specifically for the first time that there has to be a minimum capital of $1 million for an application to be considered. I should also like to clarify something else the hon. member said. I think he is mistaken when he suggests there is some limitation in the Bank Act concerning the number of banks which can be created. The Bank Act has no such limitation. One would presume that if one applied for a bank charter and met the requirements of the legislation and of Parliament, he would be in a position to obtain such a charter. The hon. member asked what the trust companies are authorized to do. There was some mention in his remarks about the powers of trust companies. I should also point out that what the trust companies can do happens to be spelled out in a rather detailed way in legislation governing their operations, amendments to which are being studied at this time.

To conclude I should again like to summarize, as I did in the finance committee, the basic purposes of the legislation as a whole which I consider to be primarily the following. First, to create a greater degree of protection for the depositors and investors in federally incorporated and supervised trust companies. I think this will help ensure that situations of the British Mortgage and Prudential Finance type will not take place with regard to institutions under federal charter and supervision. As you will recall, British Mortgage and Prudential Finance fortunately were not under federal charter and supervision. Second, to increase the ability of federally incorporated trust companies and loan companies to compete with other financial institutions, and as a result to help create opportunities to extend and improve the quality and nature of services available to the public from financial institutions generally. Third, to improve the ability of federally incorporated trust companies and loan companies to attract deposits and as a result to have more funds available for what has been their primary lending activity—mortgage lending, including emphasis on lending for residential purposes.

It is with the hope and expectation of accomplishing these purposes that these bills have been presented by the government for the consideration of Parliament and I, therefore, ask the House to reject the amendment and support the third reading of this bill.

Trust Companies Act

Mr. John Gilbert (Broadview): Mr. Speaker, I did not intend to participate in this debate until I heard the remarks of the Minister without Portfolio (Mr. Gray). I am surprised that the minister, coming from an industrial town like Windsor, would be an apologist for the trust companies. I have heard him at different times talk about the serious housing shortage in Windsor. He is aware of the serious housing shortage in Toronto and in other parts of Canada. It is quite a shock when he becomes an apologist for the trust companies.

Mr. Gray: I rise on a question of privilege, Mr. Speaker. The hon. member is misstating my position. I did not speak as an apologist for any group, but in support of legislation which I hope will bring about an increase in housing in this country. This was my primary aim when I entered this House and still is my primary aim. I am surprised, therefore, that the hon. member does not support these amendments which are being offered for this purpose.

Mr. Gilbert: Mr. Speaker, I am glad I alerted the Minister without Portfolio, because I inferred from his remarks that he was speaking as a spokesman for the trust companies across Canada. I am sure he is concerned about the shortage of houses in Canada and wants the people to obtain homes. But I would remind the minister that there has been a serious downgrading by the trust companies in respect of their mortgage investments. The minister mentioned that 80 per cent of their investment money was being applied to housing. I recall that when the present member for Trinity (Mr. Hellyer) was in charge of housing in 1968 he had to call together the insurance and trust companies in the summertime to plead with them to put more money into housing. He did not succeed. He had to allocate moneys earmarked for public housing to the private housing field.

I would remind the minister of the feeble effort the trust companies have made in respect of putting moneys into condominium housing, which is one of the key ways builders have developed in order to provide housing for Canadians. I was rather shocked when I heard the minister attempt to praise the trust companies for their excellent effort in the housing field. The directors and officers of the trust companies are heartily waiting for this legislation to pass because they know it will give them the opportunity, not to invest moneys in housing, but to direct moneys to other fields such as the equity field. If the minister had read the speeches in the other place, he would be aware that these companies are waiting not to invest money in Canada but in the United States and in the Bahamas. Even a former minister of finance in the Conservative government was down in the Bahamas as the general manager of one of the trust companies. We should realize that the moneys to be made available to the trust companies, as a result of these amendments, will not go into housing but will go into equity shares and not in Canada but in the United States and elsewhere.

We heard the eloquent remarks of the hon. member for Waterloo (Mr. Saltsman), in which he said that we should have more time to study the total framework of the financial institutions. I am sure that the present Secretary of State for External Affairs (Mr. Sharp), who has had a wide experience in the field of finance, would more than agree that he had his hands full with the financial problems across Canada and throughout the world. It is about time that we stopped diddling and fiddling to accommodate owners and shareholders of trust companies, and had a full discussion about the framework of the financial institutions in Canada. It is about time that we directed their investment policies to serve all Canadians, instead of making amendments such as these to benefit only a few shareholders of these companies.

• (4:30 p.m.)

I have no hesitation in supporting the amendment to this bill.

Mr. Deputy Speaker: Is the House ready for the question? The question is on the amendment of the hon. member for Waterloo (Mr. Saltsman). All those in favour of the amendment will please say yea.

Some hon. Members: Yea.

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

Some hon. Members: Nay.

Mr. Deputy Speaker: In my view the nays have it.

And more than five members having risen:

Mr. Deputy Speaker: Call in the members.

The House divided on the amendment (Mr. Saltsman) which was negatived on the following division:

YEAS

Messrs:

Barnett
Brewin
Broadbent
Douglas (Nanaimo-Cowichan-The Islands)
Gilbert
Gleave
Howard (Skeena)
Knowles (Winnipeg North Centre)
Lewis
Orlikow
Peters
Saltsman
Skoberg—13.

NAYS

Messrs:

Alexander
Alkenbrack
Anderson
Andras
Baldwin
Barrett
Beaudoin
Béchard
Beer
Bell
Benson
Blair
Blouin
Breau
Brown
Buchanan
Caccia
Cadieu (Meadow Lake)
Cadieux (Labelle)
Cafik
Chappell
Clermont
Coates
Code
Comeau
Comtois
Corbin
Crossman
Crouse
Danforth
Davis
Deachman
Deakon
Douglas (Assiniboia)
Downey
Dubé
Émard
Fairweather
Forest
Forget
Gendron
Gervais
Gibson
Gillespie
Givens
Godin
Goyer
Gray
Greene
Grills
Guay (St. Boniface)
Guay (Lévis)
Haidasz
Hales
Hogarth
Honey
Hopkins
Horner
Howard (Okanagan Boundary)
Howe
Hymmen
Isabelle
Jerome
Kaplan
Kierans
Knowles (Norfolk-Haldimand)
Korchinski
Laing (Vancouver South)
Lambert (Edmonton West)
Lang (Saskatoon-Humboldt)
Langlois
Laniel
Laprise
La Salle
Leblanc (Laurier)
LeBlanc (Rimouski)
Lessard (LaSalle)
Lessard (Lac-Saint-Jean)
Loiselle
MacDonald (Egmont)
Macdonald (Rosedale)
MacEachen
MacEwan
MacGuigan
MacInnis (Cape Breton-East Richmond)
Mackasey
Macquarrie
MacRae
McBride
McCutcheon
McGrath
McIlraith
McKinley
McNulty
McQuaid
Marceau
Marchand (Langelier)
Marchand (Kamloops-Cariboo)
Matte
Mongrain
Morison
Muir (Cape Breton-The Sydneys)
Muir (Lisgar)
Munro
Murphy
Nesbitt
Noble
Noël
O'Connell
Olson
Orange
Osler
Otto
Ouellet
Paproski
Peddle
Pelletier
Penner
Perrault
Pilon
Portelance
Pringle
Prud'homme
Reid
Ricard
Richard
Richardson
Ritchie
Roberts
Rochon
Rock
Rondeau
Roy (Timmins)
Roy (Laval)
Rynard
Serré
Sharp
Simpson
Smith (Northumberland-Miramichi)
Smith (Saint-Jean)
Stafford
Stanbury
Stewart (Cochrane)
Stewart (Marquette)
Stewart (Okanagan-Kootenay)
Tétrault
Thomas (Maisonneuve)
Thomas (Moncton)
Thompson (Red Deer)
Tolmie
Trudeau
Trudel
Turner (London East)
Turner (Ottawa-Carleton)
Valade
Wahn
Watson
Whelan
Whicher
Whiting
Woolliams—161.

Division

• (5:00 p.m.)

Mr. Speaker: I declare the amendment lost.

Is the House ready for the question on the main motion? Is it the pleasure of the House to adopt the said motion?

An hon. Member: On division.

Mr. Speaker: Carried on division.

Motion agreed to, bill read the third time and passed.

Mr. Knowles (Winnipeg North Centre): Cinq heures.

Mr. Speaker: Order, please. It being five o'clock, the House will now proceed to consideration of private members' business as listed on today's Order Paper.

PRIVILEGE

MR. NESBITT—BREAKDOWN IN LONG DISTANCE TELEPHONE SERVICE

Mr. W. B. Nesbitt (Oxford): Your Honour, I rise on a question of privilege which affects all members of the House who do not have direct long distance dialing service to their constituencies. This is the first appropriate opportunity I have had to bring the matter to the attention of this House. As of this afternoon, Your Honour, it would appear that there

is a complete breakdown of long distance telephone services from the government switchboard. As a matter of fact, I sat by my telephone trying to obtain a number. After dialing the usual number, 151, I waited for 37 minutes and there was no reply. Hon. members of the House have come to rely on this service which has been provided, and our constituents have also come to rely on it.

May I request the government to use its good offices, perhaps through the genial Minister of Labour, to try to persuade the Bell Telephone Company and its slowing operators who are engaged in a slow down—they have come to a complete stop from what I can see—to settle their differences or at least provide some sort of service between the government switchboard and the constituencies. This is a matter of great public inconvenience. It is an essential public service for our constituents. In the alternative, since this is a matter of very great urgency to most hon. members and it may take some days to affect a settlement in the dispute, perhaps the government would give consideration to making appropriate arrangements during this interim period for hon. members who may be obliged to make essential, I repeat, essential, long distance telephone calls to their constituencies.

Some hon. Members: Come on, Bryce.

Hon. Bryce Mackasey (Minister of Labour): Mr. Speaker,—

Some hon. Members: Hear, hear.

Mr. Mackasey: —in speaking on the point of privilege raised by the hon. member, may I say that if a slow-down in the telephone service has been causing any inconvenience, I think all of us should be quite prepared to put up with it.

Mr. Nesbitt: What!

Some hon. Members: Oh, oh.

An hon. Member: Why?

Mr. Mackasey: Well, Mr. Speaker, I cannot help it if hon. members opposite have an anti-labour slant.

Some hon. Members: Oh, oh.

Some hon. Members: Shame.

Mr. Mackasey: Hon. members opposite ought to realize that there may be some labour unrest in the telephone company. I feel very sorry for these operators. They are probably working to rule, which is unfortunate, but that is not against the law of the land. It appears that the dispute could be resolved easily between the Bell Telephone Company of Canada and the lovely young ladies. If hon. members opposite have any argument with the operators, they should telephone them and say so. In the meantime, we shall have to live with the slow-down for the next few hours.

Mr. Nesbitt: Mr. Speaker, I rise on a point of privilege. I can only assume the Minister of Labour did not hear my original question. I say that because I do not think any member should have his remarks twisted and distorted by the Minister of Labour.

Some hon. Members: Hear, hear.

Mr. Nesbitt: I, therefore, assume the minister did not hear what was said. I am requesting the minister to use his good offices, go to the two groups and ask them to provide a service.

Some hon. Members: Hear, hear.

Mr. Speaker: Order, please. The hon. member for Oxford has made his representation. I doubt whether it is a question of privilege. In any event, he has raised a very important point which is of concern to hon. members and, I am sure, to the minister. May I remind the hon. member that the commissioners of internal economy will be interested in an aspect of his statement. That will be looked into forthwith.

Mr. Nesbitt: This is an example of cheap politics on the part of the minister.

Some hon. Members: Oh, oh.

Mr. Speaker: Order, please. Unless there is another issue to be raised, it seems to me that I may tell the hon. member who has made his representation that an aspect of the matter he has raised is of concern to the House directly, to the Speaker and the Commissioners of Internal Economy, who will be looking into the matter forthwith.

Mr. MacInnis: Mr. Speaker, I rise on a separate question of privilege. I take strong exception to the remarks made by the Minister of Labour who, on speaking to the original question of privilege, tried to leave the impression that he was protecting the unionized workers in the Bell Telephone Company. Well, let me say something else. That did not seem to be the minister's position earlier this afternoon when discussing the

union situation in Montreal. When referring to the Montreal unions, he said that they will have to learn.

Some hon. Members: Hear, hear.

Mr. MacInnis: Let him answer that one.

An hon. Member: Send him back to the mines.

Mr. Thomas S. Barnett (Comox-Alberni): Mr. Speaker, may I speak on the original question of privilege, although in a more peaceful manner. The matter is important to this House and I should like the minister to pay heed to what I am saying. Will he make clear to this House whether the operators who answer when we dial 151 are employees of the Government of Canada or the Bell Telephone company.

Mr. Mackasey: I think that question had better be addressed to Mr. Speaker. I am not sure.

Some hon. Members: Oh, oh.

Mr. Ricard: Sit down, then.

Mr. Speaker: Order, please. I think we ought to go on with our business. I can assure hon. members the operators are not employees of the Speaker.

Mr. Barnett: Mr. Speaker, as I understand it, the exchange is a Government of Canada exchange and not an exchange of the House of Commons. I submit, therefore, that the minister should answer on behalf of the government and not hide behind Your Honour.

Mr. Mackasey: When hon. members dial 151, I think they will find that they are in contact with an automatic switchboard. So, it is hard to blame the operators. In any event, I will find out about this matter.

Some hon. Members: Oh, oh.

Mr. Speaker: Order, please. It seems to me that there is much more confusion now than before. Perhaps the minister could look into the matter and make a statement to the House tomorrow.

Mr. Muir (Cape Breton-The Sydneys): Mr. Speaker, I rise on a question of privilege relating to a comment made by the Minister of Labour who cast aspersions on hon. members on this side of the House by alleging they are anti-labour. I happen to sit on this side of the House and belong to the Progressive Conservative Party, but I am sure I speak for all members of the Progressive Conservative Party when I say we are not anti-labour.

Some hon. Members: Hear, hear.

Mr. Muir (Cape Breton-The Sydneys): The minister, of all people, does not have the entire sympathy of the labour movement. For many years some of us who sit on this side of the House participated in the labour movement, and we are sympathetic to it. I do not think it is appropriate, therefore, for the minister to cast aspersions on hon. members of this party who are sympathetic towards labour. This is what occurred, and I suggest that the minister's tactics should not be looked on lightly.

Some hon. Members: Hear, hear.

• (5:10 p.m.)

Mr. Speaker: Now that the question of privilege has been resolved, we will proceed with the business before the House which I believe is Bill S-10.

PRIVATE BILLS

PITTS INSURANCE COMPANY

Mr. J. A. Jerome (Sudbury) moved that Bill S-10, to incorporate Pitts Insurance Company, as reported (with an amendment) from the Standing Committee on Finance, Trade and Economic Affairs, be concurred in.

Some hon. Members: Agreed.

Motion agreed to.

Mr. Jerome moved that the bill be read the third time and do pass.

Motion agreed to and bill read the third time and passed.

PITTS LIFE INSURANCE COMPANY

Mr. J. A. Jerome (Sudbury) moved that Bill S-11, to incorporate Pitts Life Insurance Company, as reported (without amendment from the Standing Committee on Finance, Trade and Economic Affairs, be concurred in.

Motion agreed to.

Mr. Jerome moved that the bill be read the third time and do pass.

Motion agreed to and bill read the third time and passed.

Private Bills

McOUAT INVESTMENTS LIMITED

Mr. J. A. Jerome (for Mr. Major) moved that Bill S-15, respecting McOuat Investments Limited, as reported (without amendment) from the Standing Committee on Finance, Trade and Economic Affairs, be concurred in.

Motion agreed to.

Mr. Jerome (for Mr. Major) moved that the bill be read the third time and do pass.

Mr. Arnold Peters (Timiskaming): Mr. Speaker, I did not want to speak on this bill because I think it is a very sad business. The reason I am rising to speak is that we have another bill on the Order Paper respecting the Brunner Corporation which I presume fits into the same category. The problem with these bills is that, over the years, we have passed several pieces of legislation demanding that companies make certain information available to the government. Some of these demands were enforced and some were not.

Certain limited reports have been demanded from these companies. The companies are asked for simple things like the names of the executive officers of the company, the address of the company and the directors of the company. That is about the extent of the information they are asked for under the Corporations Act. Because this information was not provided, the company lost its charter. The government went through all the rigamarole of asking this company to provide the information. They even used the machinery of the courts, but at no time did they make a telephone call and state, if you do not get in your report with the changes in directors, you are going to lose your charter. My guess is that this failure to comply has cost this company $5,000, and that is all it has done.

According to the officials who attended the committee hearings, the indication is that the address and list of officials given seven or eight years ago is still the actual address and list of the board of directors. Through some stupid arrangement, we have forced this and a number of other companies to be in this position.

I damn well think that the officials in that department should be highly chastized for that operation. It has been indicated that 3,000 companies are involved. If all we are doing is costing these companies $5,000 or $6,000 to get their charters back, we are wasting our time and the officials are mis-spending their time. I am surprised they did not even bother to extend the courtesy of a telephone call, although some of the officials seemed to have personal knowledge of the people who were the original directors of the company and, in fact, are still the directors.

In this particular case, it was pointed out that the officials, through some inefficiency in their office set-up, were not aware of the problem. I do not see much sense in this operation, Mr. Speaker. If there had been a justifiable reason for this type of action, which has a punitive effect on the company, such as a refusal to do something which was of prime importance, I think we could probably approve of this type of action. However, I think this was a useless exercise because of the limited type of the information requested.

This was not a financial statement that was not filed or was filed some place else. The only failure was to file the address of the head office of the company and the names of the board of directors, with their current addresses. This seems to be a pretty silly exercise for us to be going through. We have two companies in identical circumstances, and we now have another one on the Order Paper. Representatives of the minister should have at least phoned, visited or somehow got in touch with these people to ascertain whether the company was still in operation and asked if there was legitimate reason why the limited information could not be provided.

It is this kind of exercise that burns up every small businessman in the country. They have to fill in forms and documents that do not seem to serve any useful purpose. If they do not, then this kind of action can be taken against them. I give warning to the corporations branch that I, personally, am not very interested in the processing of a number of these bills in the future if the reason for them is similar to this one. When the officials come before the committee, they better have good reason why they are forcing a company to go through an operation that will cost $5,000 to provide the corporations branch with the address of the company and the names of the directors. If this is the only reason, they better have a good explanation or they will receive a great deal of criticism at the committee hearings. Common sense must be used by the department, such as getting in touch with these people and asking why they are dropping their charter and informing them of the results if they do not make this type of return. If they do not make that kind of

personal contact with these small companies with respect to their federal charter, I think they are going to be in difficulty.

Motion agreed to and bill read the third time and passed.

• (5:20 p.m.)

BUCCANEER INDUSTRIES LIMITED

Mr. J. A. Jerome (for Mr. Major) moved: That Bill S-16, respecting Buccaneer Industries Limited, as reported (without amendment) from the Standing Committee on Finance, Trade and Economic Affairs, be concurred in.

Mr. Peters: One of my friends has just pointed out to me—

The Acting Speaker (Mr. Béchard): Order. I understand there is no debate on the report stage.

Motion agreed to.

Mr. Jerome (for Mr. Major) moved that the bill be read the third time and do pass.

Mr. Arnold Peters (Timiskaming): One of my hon. friends has just pointed out that it is ironic, bearing in mind all the things we say about companies of this type, that we should be defending them. But the same remarks apply to this company as applied to the previous one; the same type of situation developed and the same kind of inconvenience arose.

Motion agreed to and bill read the third time and passed.

The Acting Speaker (Mr. Béchard): Shall I call it six o'clock?

Some hon. Members: Agreed.

The Acting Speaker (Mr. Béchard): It being six o'clock, I do now leave the chair until eight o'clock tonight.

At 5.25 p.m. the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

LOAN COMPANIES ACT

AMENDMENTS RESPECTING INCORPORATION, OPERATION AND ADMINISTRATION

Hon. Herb Gray (for the Minister of Finance) moved that Bill S-9, to amend the Loan Companies Act, as reported (with an amendment) from the Standing Committee on Finance, Trade and Economic Affairs, be concurred in.

Motion agreed to.

Mr. Gray (for the Minister of Finance) moved that the bill be read the third time and do pass.

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, this bill is parallel in many ways to Bill S-8, which was passed this afternoon. After all, many of these companies are operated in tandem and therefore the provision would be the same. I am not going to repeat what I said in respect of the other measure. We in the opposition have no objection to the proposed changes in the act which primarily provide for an alternative method of incorporation and changes in existing charters. The bill contains, also, many housekeeping matters with regard to the operations of the companies and necessary changes to sections of the act which are of no great import in so far as questions of principle are applicable.

The powers of investment are somewhat widened to allow the companies to invest in certain securities of an external nature in which the government of Canada, of course, has some interest. For instance, it has an interest in bonds and securities guaranteed by municipal corporations in Canada, by the Inter-American Development Bank, the Asian Development Bank, the government of the country in which the company is carrying on business or the government of the province in which the company is carrying on business. This, of course, is all straightforward.

• (8:10 p.m.)

There are other provisions within the province of Quebec in respect of particular circumstances applicable in that province. We have made the comments we want to make on second reading and in committee and would ask that the House approve the changes to this act.

Mr. Arnold Peters (Timiskaming): Mr. Speaker, I do not have very much to say on this bill. I should like to relate some of the remarks I shall make to remarks I made earlier in relation to a previous bill. Some time ago Canadians in general were very concerned about the loan companies in Canada and the interest rates charged by them. There was also concern about the fact that the rates were not generally known to the borrower.

Some changes have been made. I think, however, it behooves everyone to consider whether those changes are sufficient to warrant supporting an increase in the number of loan companies such as will occur with the passage of this legislation. If a company wishes to be incorporated, all it will have to do is appear before the Companies Branch with an application for letters patent. Whether it is true or not, most Canadian workers believe that owning a loan company is almost synonymous with having the right to print money. They believe that loan companies charge such unreasonably high rates of interest that this is a very lucrative business.

Many Canadians borrow money as freely as they buy commodities, without knowing what the cost will be. It is very nice to hear finance companies say—

Mr. Lambert (Edmonton West): This is not a finance company. This is the Huron and Erie and Canada Permanent Mortgage Corporation.

Mr. Peters: Well, they lend money. The point I am making is that one company says, "Never borrow money needlessly; borrow when you must". This is a very good suggestion but it is one that not many Canadians take. The companies which operate under the Loan Companies Act, as has been stated, are involved mainly in mortgage financing. This is a field in which most people today are involved, either through buying a mortgage or trying to arrange one. We should take a look at some of the banking institutions of this country and their interest rates. While the finance companies have a normal rate of about 28 per cent plus, some of the automobile companies have rates which are considerably higher because of other charges.

Mortgage companies have a set interest rate over a long period. Take the example of a young couple who borrow mortgage money for a house. The price of the home may be $25,000 or $30,000. They probably would be paying an interest rate of anywhere between 9 per cent and 14 per cent. I think it would be safe to say that 11 or 12 years would go by before they would begin to pay a cent off the principal.

If we can project this situation over a 25 or 30-year period, that is fine. But what will happen to the person who was in this field three years ago, projected the payments he would have to make, borrowed a large amount of mortgage money at from 9 per cent to 12 per cent over a period of 25 or 30 years, then found himself out of a job, and instead of the cost of our gross national product rising at the predicted rate, it decreased? While the cost of living may have gone up, his ability to pay may have decreased very rapidly.

In many sectors where the economy was stable, it is no longer stable. One of these is the automobile industry. I wonder whether it would be to everybody's advantage to have a provision written into the loan companies legislation whereby a change could be made in the situation wherein an individual may have left the category he was in originally, or remained in that category and found himself in a position where it was impossible for him to meet his obligations.

This has happened before. I remember a situation which occurred when I was a small boy. I was not directly involved, but I remember my father buying a farm for about a third of the amount of the mortgage on that farm. The people who had the farm were good farmers. They also had a large bush operation and were doing very well. They borrowed a reasonable amount of money, considering the assets they owned. Because of the depression they did not have a chance in Hades of paying even the interest on the mortgage.

It seems to me that such protection has never been provided in this legislation. This is a real problem in western Canada. I understand that in some provinces of western Canada there is legislation which provides some safeguard; but nothing has been done at the federal level. I understand that in most areas of western Canada there is provincial legislation in respect of safeguarding a home, a farm, a quarter section or whatever it might be. I am not too familiar with how they apply this to federal mortgages, and I presume they do not. If they do not, obviously the responsibility is ours.

• (8:20 p.m.)

I see no reason why this legislation should not be reconsidered. Therefore I move, seconded by the hon. member for Winnipeg North Centre (Mr. Knowles):

That the word "now" be left out and that the words "this day six months hence" be added at the end of the question.

Mr. Steven Otto (York East): Mr. Speaker, despite the amendment may I say a few words on the way in which this bill could become a very effective vehicle for raising

mortgage funds. I am glad to see the minister in charge of housing here tonight, because although I sent him a brief on this subject I am sure he did not read it, even though he sent me a letter saying he did.

Mr. Knowles (Winnipeg North Centre): You Liberals know each other.

Mr. Otto: There is much daydreaming going on about our getting mortgage funds, and that the insurance companies—which historically have been lenders of mortgage moneys—will just keep on lending money. However, we do not realize the complete change that has taken place in the insurance business. Many insurance companies continue to sell policies which will pay $25,000 when you reach the age of 60. Who knows what the $25,000 will be worth at that time?

In the United States the Occidental Life Company and 17 other companies are selling life insurance policies which will pay $25,000 in real value. This may be $110,000 in 25 years' time. If this is the case, it is obvious that the other insurance companies must compete. They cannot keep putting out money at a fixed rate of interest if they have to pay their policyholders in real value. They have to acquire equity. So these mortgage funds will dry up.

The president of the Sun Life Company said this two years ago, and the president of the Manufacturers Life Company said it a year ago, but people keep thinking the companies will continue to advance money. They will not. Banks are not mortgage money lenders. It would be wrong to expect them to go into the mortgage business except on a short-term basis. Banks are short-term money lenders. One does not put one's deposit in a bank for, say, 25 years. If you want to take your deposit out at five minutes' notice, you can do so.

Banks cannot be mortgage money lenders, nor can trust companies. As the minister said, they put a great deal of money into mortgages, but it is usually on a five-year basis, because trust certificates are bought on a five-year basis. Where will the money come from? I suggest that we have to forget the old idea that it must come from a certain segment of the business world such as the insurance companies. In fact, it will come from the people involved in the housing business. People who supply materials will have to take payment in part in bonds on mortgages. CMHC will take out part of that payment in long-term certificates, so will builders and developers and, most particularly, people who buy homes.

When the same problem existed in the United Kingdom, this is what loan societies did: A person purchasing a home would borrow a down payment of, say, $5,000 from the loan society. St. Andrew's was a perfect example of that. The purchaser paid back the $5,000 in mortgage terms, but there was a gimmick attached to it. He had to deposit a further $4,000 or $5,000. In other words, having the advantage of being able to borrow the money for their down payment at a low interest rate after having paid off their loan, the purchasers had to keep depositing money with the loan society so as to enable other people to purchase homes at the same low interest.

For the money which they deposited they received interest as well as a participating share in life insurance, fire insurance and many other enterprises in the home-owning field in which the company was involved. As a result, over a period of time the problem of financing homes was solved and the loan societies, on which this act is based, fell into disuse.

The loan societies will have to have power under this bill to demand payment of the moneys which they lent, as well as a deposit of more money from people who are taking out loans. I venture to say that if amendments were introduced, many building and development companies would use loan societies as a supplement to their normal course of operation and make them into almost non-profit organizations in order to enable people to buy houses. This would require the co-operation of the provinces under the terms of the mortgage acts in many cases.

However, I believe the bill before us should contain a provision for the inclusion of loan and home societies or loan associations. I have heard comments from people who were involved with loan societies which might consider such action. Therefore, to say that this bill will not be effective in any way is not true. I think it could be very effective. I hope the minister will in time introduce amendments which will allow these companies to enter the mortgage field in the way that I have mentioned. I believe that through such activities of the loan societies we will have a chance of solving our mortgage money crisis.

Mr. Deputy Speaker: Is the House ready for the question? The question is on the amendment of the hon. member for Timiskaming (Mr. Peters). All those in favour of the amendment will please say yea.

Some hon. Members: Yea.

Mr. Deputy Speaker: Those opposed will please say nay.

Some hon. Members: Nay.

Mr. Deputy Speaker: In my view the nays have it.

Mr. Knowles (Winnipeg North Centre): On division.

Amendment (Mr. Peters) negatived.

Mr. Deputy Speaker: Is the House ready for the question on the main motion?

Some hon. Members: Question.

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

Motion agreed to and bill read the third time and passed.

CANADIAN AND BRITISH INSURANCE COMPANIES ACT

AMENDMENTS RESPECTING INCORPORATION, OPERATION AND ADMINISTRATION

Hon. Herb Gray (for the Minister of Finance) moved that Bill S-6, to amend the Canadian and British Insurance Companies Act and other statutory provisions related to the subject matter of certain of those amendments, as reported (with an amendment) from the Standing Committee on Finance, Trade and Economic Affairs, be concurred in.

Motion agreed to.

Mr. Gray (for the Minister of Finance) moved that the bill be read the third time and do pass.

• (8:30 p.m.)

Mr. Max Saltsman (Waterloo): Mr. Speaker, perhaps the most appropriate way in which I could start my comments would be to read from a Toronto *Star* editorial of February 14, 1967, in which the question "Are insurance companies really doing their job?" is asked. The editorial reads as follows:

Life insurance, with its sidelines of annuity plans and sickness insurance, is a form of social security which Canadians have embraced so readily that we are the most heavily insured people in the world.

The odd thing is that successive governments have never shown the slightest interest in discovering whether life insurance, as social security, gives people good value for their money ($1.17 billion in premiums paid in 1964).

[Mr. Deputy Speaker.]

Instead the federal department of insurance has been charged only with seeing that the insurance companies remain solvent, and in a position to meet their contract obligations.

Come depressions, war, peace, boom or recession, the money keeps rolling into the treasuries of the life insurance companies. Their assets have tripled since 1950, from $4 billion to $12 billion, which makes them second only to the banks as managers of other people's money in Canada.

That makes it a fine business to be on the top side of, but how does it work out for the policyholders?

Despite the persistance and the ubiquity of the salesmen, one-fourth of the population remains wholly unprotected by life insurance, even in this insurance-happy country.

What's more, the figures on lapse and surrender suggest that many people become dissatisfied with their insurance, or cannot afford to carry it. In 1964, policies with a total face value of $2.5 billion lapsed or were surrendered in Canada—which was over six times the face value of policies that terminated by death, maturity, disability, and expiry.

The editorial concludes:

But their real reason for existence is their social security function, which has never been officially assessed, except from the narrow actuarial standpoint of the insurance department. This would be a big, worth while job for a parliamentary committee.

It has been our purpose in speaking on this bill and others to point out the need for examining the entire structure of the financial institutions, including insurance companies. We think that in a modern society there is a need for modern approaches, not the kind of anarchy that now prevails in the insurance industry which does not benefit anyone and is more appropriate to a society that does not have automation, that does not have computers and does not live in an age where men are going to the moon. While inventions are soaring ahead, our financial institutions are back in the Dark Ages. They have not changed very much over the years.

Another comment on the present system was made in the *Canadian Consumer* January-February, 1968, issue, and I quote from page 129:

Our whole security marketing system is still geared to selling—

This includes some of the activities of the insurance companies.

—rather than counselling. Canadians have been conditioned by the practices of insurance and mutual fund companies to buying family security and retirement benefits from door-to-door salesmen.

The existing system is designed to thrive on customer ignorance and confusion. The agent is hired and trained by companies, primarily to sell

their particular products. The company training provided is basically indoctrination in company policy.

Again we have to ask how effectively and how well are the insurance companies meeting the needs of people in our society. Earlier this afternoon I spoke about some of the public insurance programs that have been developed. I talked about automobile insurance in Saskatchewan, which has proven so valuable and which will be adopted by the other provinces in this country before very long. I spoke about hospital insurance and of the great benefits it has brought to the people of Canada. After I had concluded my earlier remarks, in which I said that the cost of administration of the Ontario hospital insurance program was 2.5 per cent in contrast with a figure that went as high as 37 per cent when it was in private operation, I had a chance to re-examine those figures and I understand it is even less than 2.5 per cent; it has gone as low as 1.5 per cent. This is a phenomenal figure with a meaning that cannot escape anyone. It means that virtually all the moneys collected for this purpose are used to provide health services for sick people instead of being wasted on distribution and spurious practices—

Mr. Alkenbrack: On a point of order, Mr. Speaker, may I ask the hon. member a question?

Mr. Deputy Speaker: I would point out that this is not a point of order, but the hon. member can certainly try to ask a question.

Mr. Alkenbrack: With respect to the gist of his speech, has the hon. member ever heard of a chartered Canadian life insurance company ever beating one policyholder out of a dollar?

Mr. Saltsman: Mr. Speaker, I appreciate the question put to me by the hon. member. This is not what I was saying. No one disputes that life insurance companies in Canada are solvent. I would point out to the hon. member that one of the reasons they are solvent is that they are supervised by the federal government. We have an outstanding supervisory arrangement; we have an outstanding Superintendent of Insurance. This is one of the essential reasons that these companies have not, in the sense put by the hon. member, defrauded anyone.

I am not suggesting—I hope the hon. member will pay attention to this—that they have done it consciously and deliberately. This is the nature of the game; it is the kind of position they are in. Even with the best intentions the insurance companies cannot do anything about it. It is the structure that creates all this waste. I would not for one minute wish to leave the impression that the people in the insurance industry are not reliable or trustworthy in a certain sense. I am suggesting that the entire industry is not doing the job and that the practices that have grown up in the industry, the need to compete and make a profit, have not worked to the advantage of the people of this country. There must be a more sane and sensible way to serve the needs of the people rather than the archaic system that now prevails.

We brought in medical insurance in Canada. Despite all the efforts of the Prime Minister of Ontario to scupper and ruin the plan, it will succeed. He will have to change his attitude toward it. Other provinces are working with the federal government and doing an effective job of providing medical insurance for their people. The one province that is being dragged, kicking and screaming, into the twentieth century will have to change its ways before the next election or another party will replace it in the provincial house.

We have an insurance program covering exports from Canada. The government undertakes this function. In this particular case, probably the private insurance companies do not want to get involved in it because there is a risk connected with it. I make this point and draw your attention to it, Mr. Speaker, to point out that there are ample precedents for public involvement in the insurance field. I could point to CMHC insurance, the reason for which is the reduction of certain rates. Many governments undertake their own insurance when it comes to their buildings and properties simply because it is a cheaper and more effective way of doing it.

The old age security plan is an insurance program to which all Canadians contribute through their taxes and receive benefits upon retirement. I think the old age security plan, despite its inadequacies and despite the great job my hon. friend from Winnipeg North Center (Mr. Knowles) is doing in trying to convince those stick-in-the-muds across the way of the need for public justice, of the need to increase payments under the plan, basically is a very worth-while program. All Canadians could be proud of it if we increased the old age security pension.

Recently we introduced the Canada Pension Plan. Despite all the cries that went up from the ranks of the Official Opposition, it has been widely accepted in Canada and its merits are very well understood. There is a suggestion I should like to put to members of the House on the question of the Canada Pension Plan. The plan should be enlarged. It could do a much better job than it is doing now.

• (8:40 p.m.)

I listened earlier to the remarks of the hon. member for York East (Mr. Otto)—I regret he is not in the House at the moment—who pointed out the difficulty that would develop in the future regarding mortgages. I should like to point out another great difficulty which will develop in the future, that is, most Canadian governments will not be able to finance their needs. This is true of the federal government, the provincial governments and municipal governments. The reason is quite obvious: the basic method of financing, except by raising taxes, is in long-term bonds. From everything we can see, long-term bonds will never again be an important source of financing for government or corporations.

There are measures we can take to abate inflation, and those measures should be taken; but the indications are that there will be inflation in the foreseeable future. The effect of inflation will be to work against long-term bonds of all kinds. If some of the proposals in the white paper are implemented to favour equity financing over debt financing, the situation will be made even worse. We cannot cling to the faint hope that the capital market will return to its former position. That day is over. I see very little possibility of the capital market being able to meet the long-term needs of government.

This means there are two reasons for increasing the Canada Pension Plan fund. I think it is a good thing in itself. People in Canada would benefit immeasurably by being able to get higher benefits, and it would provide a source of funds for governments. There are people in this chamber who might be pleased at the prospect that the government will not be able to get any money in future, because they think this is a very good thing; they think any spending the government does is bad and should be curtailed. I am not one of those. I can look around and see some of the things we have in this country because governments were willing to spend money and develop the nation. I can see things that only public expenditures will correct, and I see a great need for public expenditures in the future. This fact has to be considered.

At the moment, I imagine were it not for the Canada Pension Plan and the fact that the provincial governments have these funds available to them, they would be in an impossible position and probably unable to meet the needs of the people of their provinces. In that regard the Canada Pension Plan has been a lifesaver to provincial governments. If we increase this plan, and as it now stands the funds go to the provinces, one might very well ask, what benefit is this to the federal government?

There are two kinds of benefit to the federal government, Mr. Speaker. One is that I think we want to see the provinces able to carry out their responsibilities; we want to see them have access to the funds they need in the development of their areas of jurisdiction. The second is that by enlarging the Canada Pension Plan fund the additional funds could be used under a form of partnership between the federal and provincial governments and in that way provincial as well as federal needs could be met.

How do we go about achieving this, Mr. Speaker? First of all, I think we should increase the benefit from 25 per cent to 50 per cent of the maximum pensionable earnings. The maximum pensionable earnings should be increased immediately from $5,200 to $10,000, and within a decade to $15,000. The minimum effect would be to quadruple benefits. However, since the present scheme is now overfunded—yield on the fund has risen much more than needed to cover the 2 per cent per annum cost of living bonus—it will not be necessary to quadruple deductions; in fact, it might be possible to do it by tripling deductions. This may well be proven adequate and would leave the fund actuarially sound.

This proposed expanded Canada Pension Plan should replace most industrial and government pension plans now in effect. It would generate funds. I realize when I make this suggestion that not everyone will agree with me, but it is a suggestion worth pursuing. It will to some extent curtail funds now channelled in the private market but, Mr. Speaker, I believe that some of those funds must be curtailed. We heard from speakers who did not support some of our amendments and probably will not support the amendment I propose to move later. Mortgage funds are drying up. Earlier I suggested that even if mortgage funds are available, they are not

available to those in desperate need of housing, those with low incomes even though good jobs who simply cannot afford the price of housing at present day prices.

The implication for the future, Mr. Speaker, is that if we are to adequately house our people it will not be done in the private sector and only an expanded public sector, only a diversion of funds from the private to the public sector can help us accomplish this primary social objective. It is unthinkable that in a society such as ours there should be hundreds of thousands of people without adequate housing. In a society that can buy all kinds of gadgets, that can create pollution problems, we cannot do a simple, fundamental thing like providing housing for our people. This is certainly not through lack of timber, cement, workmen or any kind of resource. The only thing that stands in the way of our people being adequately housed is our housing system and the way we use money for housing purposes. This system must be corrected before we can hold our head up high and aspire in a minor way to call ourselves a just society.

I suggest that an enlargement of the Canada Pension Plan, increasing benefits and increasing contributions, would enable a large pool of capital to be collected which could be used for social priorities from which everyone would benefit. In the long run the cost to the people in this country would be less, the insurance program would be more adequate and we would have the funds with which to meet the social needs of our society.

We have spoken on these financial bills. They are very much alike; they are designed to increase the powers of financial institutions and to make worse a situation that is already bad. What is needed is not to pass this kind of legislation but to set it aside and say to the government and its advisers, "Look at this financial structure. It is not serving the needs of the Canadian people. Change the way in which you accumulate funds and the way of establishing our social and financial priorities".

It is this matter, Mr. Speaker, that I wish the House to consider. To help hon. members in their consideration I move, seconded by Mr. Knowles (Winnipeg North Centre), the following amendment to Bill S-6:

That the word "now" be left out, and that the words "this day six months hence" be added at the end of the question.

[*Translation*]

Mr. Léonel Beaudoin (Richmond): Mr. Speaker, I shall make only a few remarks to give my views on the bill now before the house, namely Bill S-6.

I shall also make a few comments on the speech of the previous speaker whom I deeply respect but some of whose opinions with regard to insurance agents I do not agree with.

Contrary to what he thinks, I feel that insurance companies, especially life insurance companies, have fulfilled their role very well in covering various risks. To my mind, they have helped tremendously through the investments they make in real estate, especially with regard to widows and large families that have had the misfortune of losing someone near and dear.

The hon. member said, among other things, that insurance was sold by people who often peddled their wares from door to door quite prepared to brainwash people in order to sell insurance policies. I say to him, that as one who has been an insurance agent for several years, I was a door to door salesman without ever brainwashing anyone.

As Bills S-6 and S-7 are almost identical, I feel my remarks on Bill S-6 can also apply to Bill S-7.

Bill S-6 would amend the Canadian and British Insurance Companies Act and other statutory provisions related to the subject matter of certain of those amendments, while Bill S-7 would amend the Foreign Insurance Companies Act.

• (8:50 p.m.)

On May 6, 1969, the Department of Finance, in a press release, availed itself of the introduction of Bills S-35 and S-36 in the Senate to explain that the purpose of those pieces of legislation was to grant the federal Superintendent of Insurance greater authority over companies in financial difficulties.

Among other things, the new provisions in the Canadian and British Insurance Companies Act as well as in the Foreign Insurance Companies Act, enabled the Superintendent to take certain steps so as to help an insurance company in a difficult position to get back on its feet.

We are in favour of the passage of Bill S-6, as its purpose is to protect the public.

Mr. Speaker, we know that Canadian insurance companies are among the most important holders of savings and assets in Canada.

Indeed, in the field of life insurance alone, the Canadians who had some $16 billion worth of life insurance in 1950 had five times more in 1967 that is $90 billion.

These figures show that the insurance salesmen who go from door to door so that the economy may operate, really attain their objective.

It is therefore important that the savings and investments be well protected. The government, through the Superintendent of Insurance, is quite justified in seeing that they are.

Bill S-6 includes three main amendments to the Canadian and British Insurance Acts. The first one deals with the constitution of insurance companies and with changes in the charters of those companies. The object of the bill is to provide incorporation through letters patent, a quicker method than the old one which required amendments to the special act adopted by the government. From now on, the Department of Consumer and Corporate Affairs will issue such letters patent. It is also provided that insurance companies under provincial charters will continue to be recognized federally, subject to the approval of the province in which they were incorporated.

The bill also provides for the inclusion in the letters patent of a requirement making it compulsory for a new life insurance company to have a paid-up capital of $2 million, and of $1.5 million if it is a fire or comprehensive insurance company.

Among the other provisions that we support are the ones enbling the Minister of Finance (Mr. Benson) to instruct the Superintendent of Insurance to take control of the assets of insurance companies likely to become insolvent or which will have diverted funds.

Many financial undertakings have gone bankrupt these last few years. They have swallowed up millions of dollars saved by Canadians and quite often by low and average income citizens, by those who could not afford to lose their savings in that way, because they were not sufficiently protected. We do not believe that swindling will in future be impossible because of changes made in the act.

However, Canadian savings will be better protected. If previously insurance companies or financial institutions took exception to the fact that the government laid new obligations on them, they now accept, I know, new regulations which restrict their freedom. In fact, the new laws aim at protecting the public.

[Mr. Beaudoin.]

Companies are aware of it. Their enactment leads the same public to have more confidence in the financial institutions.

The third major change deals with the prohibition to make loans or investments whenever conflicts of interest occur. For instance, the important shareholders, that is, those who are in a position to impose their views when the time comes to formulate a loan policy, will not be able to secure loans.

Another major change is the one that enables insurance companies to set up branches that will have the same powers as the parent company and will be able to invade the field of mutual funds.

We are also in favour of the provisions dealing with transfer of blocks of shares exceeding 10 per cent of the total number of shares and those that will compel insurance companies to report such transfers to the Superintendent of Insurance.

We are also in favour of the provisions enabling from now on insurance companies to make loans exceeding 75 per cent of the estate value, provided that anything over 75 per cent be insured by government agencies such as the Central Mortgage and Housing Corporation or by Canadian or foreign financial institutions. The purpose of this legislation is to increase the funds which may be made available to borrowers while protecting the savings made by the customers of insurance companies.

In short, we, from the Ralliement Créditiste, are favourable to the principles contained in Bill S-6.

[*English*]

Mr. Arnold Peters (Timiskaming): Mr. Speaker, I was just reminiscing with my colleague about some of the changes that have taken place in Parliament. We now oppose insurance companies and the like being incorporated in the way spelled out in the bill, but only nine or ten years ago we supported the view—I suppose because very little interest was displayed in this House in the subject—that insurance companies should not be incorporated by bills coming before the House but by letters patent and legal procedures outside the House. That was our position for quite a time.

It is interesting to note that at that time Conservatives and Liberals were in favour of bringing such incorporation bills into the House for discussion. Oddly enough, in a few minutes we shall vote against this bill which provides that companies like these shall be

incorporated by procedures which take place outside the House. Liberal members will vote to support the bill, and thus support our former position. Is it not interesting to see how positions here change?

Mr. Lambert (Edmonton West): They could still come before the House.

Mr. Peters: The hon. member for Edmonton West (Mr. Lambert) indicates that these companies could still come before the House. It is my guess that nobody will bring such incorporations before this House when it is much easier to obtain letters patent and avoid public exposure.

I also think many hon. members are unaware of the responsibility they are placing on the shoulders of the Superintendent of Insurance. The Superintendent of Insurance will have to do a policing job, not only with respect to existing companies but companies which may be incorporated later. His responsibility to the minister will be to ensure that these are the kind of companies we wish to incorporate.

• (9:00 p.m.)

We are also asking the Superintendent of Insurance to provide some supervision in the field of provincial jurisdiction. Considerable responsibility is being placed on the office of the Superintendent of Insurance. I hope we will provide him with adequate assistance, because he has a grave responsibility. As one member mentioned a few minutes ago, the Canadian public demands almost an exactitude in the supervision of insurance. That is not possible in most countries of the world. Canadians can be very proud of the operation of our insurance companies under federal jurisdiction. There has been very little suggestion of impropriety in any of their operations.

My colleague referred to the Canada Pension Plan. I am sure hon. members who have anything to do with provincial welfare programs are aware that we have now arrived at the stage where Canadians are assisted by the Canada Assistance Plan; the Canada Pension Plan and the Old Age Security Plan. A widow with two children is not in too bad a position if her husband did not leave anything when he died. In some cases she can receive the widow's allowance, mother's allowance, disability pension, assistance from the Canada Assistance Plan through various pieces of provincial legislation plus, if she is the right age, a payment from the Old Age Security Plan which is supplemented by a guaranteed annual increase. A man with no money who dies and leaves a widow 65 years of age, leaves her in not too serious a situation. If she is 60 years of age she will receive the widow's allowance.

I wish to deal with the situation of a man who saved at a time when a dollar was worth a dollar and bought an insurance policy with a benefit of $2,000 or $5,000. After this man dies, a month or so goes by before the insurance company gets around to paying the small insurance benefit to the widow. The widow knows how much it costs to operate her household, she knows what her expenses will be and she is terrified because she knows the money will not go very far. When she tries to get assistance through the Canada Assistance Plan, it is not available because it is operated through provincial plans which apply only when the widow has no money. She is forced to scrimp and save. This widow would find herself in very dire straits before spending the last of the insurance money and applying for assistance.

I have not heard of any insurance agent advising people not to buy insurance. They are selling endowment plans; they are selling insurance plans that really do not take into consideration the developments of the last few years. When my father was a young lad, he bought an insurance policy. I do not know the value of it—possibly $2,000. He carried that insurance through the depression when money was very hard to come by. He denied himself many of the necessities of life in order to pay the premium every month. He made sacrifices for his family. When $2,000 is received years later, it is worth only $300 or $400; that will be its purchasing power. In my opinion it was a bad investment. If it was a bad investment 30 years ago, it is a much more doubtful investment now.

I think there has to be insurance: I am not arguing that there should not be. But the whole role of insurance has changed. In the last 20 years it has certainly changed in relation to fire and automobile insurance. In some cases it is a necessity to carry basic term insurance, insurance that will provide the biggest return for the least expenditure over a long period of time. I believe the federal government will soon have to consider the expansion of insurance schemes in the public sector. This would mean the Superintendent of Insurance would be running a national

insurance company, one that would provide basic advantages under the social security plan that we have developed.

The other day I attended a Transport Committee hearing and listened to a discussion on safety matters. The old bugaboo about provincial rights was raised, but the minister was able to say in relation to the provinces that they had reached agreement in this and that field. Matters of safety affecting automobiles has become a responsibility of the federal government and will probably affect our importation of cars and the direction the Department of Transport takes in regard to safety regulations.

Why should we not also apply a reasonable level of insurance, if not for first party or second party at least for third party liability? Why should not government-type insurance be available? It has often been said that automobile insurance should be provincial. However, I feel the automobile is an interprovincial vehicle: it travels back and forth across provincial boundaries. I am sure half the cars in the Ottawa area this evening travel across the interprovincial boundary regularly. A federal insurance plan could provide basic coverage.

We should also consider expanding the Canada Pension Plan. I think most people will agree the old age pension should be extended to provide a better standard of living for the elderly people. Although some people say it is, Mr. Speaker, it is not a handout. The money belongs to them because they pay their 4 per cent regularly to accumulate it. I suggest more money should be put into this plan. It may be the wish of the Canadian public to put more money in the plan and less in insurance companies.

There are hundreds of insurance companies, Mr. Speaker. I do not feel they do much good. As one hon. member pointed out, the costs of administration are very high. I was surprised to hear that some life insurance companies work on the basis of hiring a young fellow to sell life insurance and pay him a fee for several months while he sells insurance to his relatives and friends. As soon as he has sold insurance to all his relatives and close friends, he finds it very difficult to sell it to people he does not know and he is soon out of business. The initial sale of an insurance policy may earn a salesman a commission as high as 35 per cent. This is drained off entirely from the insurance principal. If the plan were conducted by a federal agency, a much greater portion of the insurance money would go back to the individual purchasing the policy.

[Mr. Peters.]

• (9:10 p.m.)

It is still the desire of most of us to prepare in one way or another for the years in which it is more difficult for us to earn our living and cover our expenses. Look at the thousands of insurance companies! When I go into the office of an insurance agent I am always impressed by the fact that he has rows and rows of companies on his list. He follows an unwritten rule under which he picks the companies in order and thus shares the business around. The price is the same, the commission is the same. There is no reason for him to be involved with one particular company or group. Therefore, it seems to me we are not doing much at this time to solve the insurance problems facing Canadians, particularly in the field of life insurance.

I see cases of hardship every day. It really is sad to see how people end up after spending their lives building up a small insurance policy. I will mention one example, a man I had known for years. Badly crippled all his life, he and his wife worked on a small farm. When they sold the farm they had $1,500 in the bank. They could not get any assistance under social security measures because they had too much money in the bank; yet their cupboard was completely bare. I have been to his place when it looked as though they were living in the Meadow Lake constituency. The $1,500 was to be used to bury them. All they had worked for all their lives was a burial fund. Hon. members over there may not think this is sad, but it is.

One cannot suddenly change the pattern of existence of these people. They set money aside for a particular purpose. Unfortunately, this couple had to die to collect it. They were willing to do that, and one of them has since died. Those who have struggled to save a small amount of money through insurance policies have to spend it before they can take advantage of the social assistance schemes available.

The minister responsible for this bill is dishonest if he does not consider this aspect of the insurance picture. We are allowing people to sell insurance in exactly the same manner as before, yet the game has changed. The situation is really not the same as it was. The social security system of the nation has changed and, with it, the need for insurance. It behooves the government to consider entering the insurance field on its own account.

Another matter I wish to raise relates to a point of view we have been putting forward for years. I have in mind the treatment of insurance companies which are Canadian and in respect of which no machinery is provided for ensuring that they remain Canadian. If ownership should change, their administration would fall within the provisions of a different act of Parliament. But that act provides no machinery for the encouragement of Canadian ownership. In fact, in the case of large institutions a limitation is imposed upon the extent of Canadian ownership.

I am thinking, now, about ten or twelve of the large companies or groups involved in the insurance business in Canada. These companies are doing $12 billion worth of business in Canada. This sum represents a large proportion of the expenditure of the nation. Indeed, it would take the federal government, with its huge tax structure, a year to raise that amount of money. The responsibility these companies owe to the nation ought to be a matter of paramount importance to us and should be dealt with in this bill. In my opinion it is not adequately covered.

The day will come when the people will demand that the government become more deeply involved in the insurance field and provide them with basic coverage—coverage which can be augmented by the insurance companies if desired. The accumulation of large sums of this kind ought to be in the hands of the government so that the expenditure of the money would be much more in the interest of the nation than it is in the case of insurance companies.

We have been very fortunate in the two Superintendents of Insurance whom I have known. They have done an admirable job with a very small staff. The fact that we have never experienced an incident in the insurance field such as has been experienced in some of the provinces is mainly due to the competence of the people engaged in the Department of Insurance. We are now throwing on the shoulders of these people a much larger responsibility, one which the Canadian government would be well advised to consider more seriously before this step is finally taken, bearing in mind the needs of the Canadian public over the next 20 years.

The Acting Speaker (Mr. Béchard): Order, please. If the minister speaks at this time, he will close the debate.

Mr. Knowles (Winnipeg North Centre): On a point of order, Mr. Speaker, there is an amendment, so the minister is free to speak without closing the debate.

Mr. John Gilbert (Broadview): Mr. Speaker, when I spoke this afternoon on the Trust Companies Act, the Minister without Portfolio (Mr. Gray) appeared quite sensitive when I said he was an apologist for the trust companies. I infer this from the remarks he made. I drew attention to the practice of trust companies with regard to their investment in housing. This evening I see in this chamber the Minister without Portfolio in charge of housing (Mr. Andras). I recall the problems he had when he was Minister without Portfolio assisting the Department of Indian Affairs. Here is a minister who is a sincere and dedicated man. He attempted to devote his time and efforts to the problems of Indians. However, he ran into a very strong stone wall in the form of the Prime Minister (Mr. Trudeau) and other ministers. As a result, he was given new responsibilities as minister in charge of housing.

Back in 1968 I drew attention to the difficulties encountered by the then minister of housing, the hon. member for Trinity (Mr. Hellyer) in connection with the amount of money put into housing by insurance companies. In the summer of 1968 he invited the insurance and trust companies to put moneys into housing because of the building slowdown across Canada. There was a refusal by these companies to inject moneys into the housing market. The minister then had to allocate moneys which were earmarked for federal housing into the private housing market.

• (9:20 p.m.)

I am sure the minister now in charge of housing is experiencing a repetition of some of these problems in respect of insurance companies directing part of their investment moneys into the field of housing. Last year there was a serious decline in investment by insurance companies in the housing market. Insurance companies have become quite brazen and outspoken on this matter. They say they are going to direct a good share of their investment moneys into equity. This appears to be their present trend, with a minimum amount directed into housing. When they do direct moneys into housing, they usually direct it into government-insured loans, which means they take no risk whatsoever in respect of money directed into housing.

Surely the time has come, in respect of the investment policies of the government, to direct that a certain percentage of the money accumulated by trust and insurance companies be put into some of the social fields, more especially housing. I am sure the Minister without Portfolio was shocked when he read in the newspapers two weeks ago that in Toronto alone there are 17,000 families who need public housing, and you can probably add another 35,000 if you take into account the members of those families.

Surely the insurance and trust companies have a social conscience in respect of the problem of housing. When thinking of the 1930s we realize that social conscience was absent in respect of insurance companies. Many of them had no provision for paid-up policies, cash surrender value or automatic premium loans. The result was that many of the fathers and mothers of hon. members who had insurance policies in the 1930s did not have the advantage of premium loans on contributions made to those policies.

As a result of government action we have injected a social conscience into insurance companies. We now have provisions in respect of insurance policies so that when people are not able to pay they can elect to take a paid-up policy, the cash surrender value or convert it to a term policy. This is the result of legislation to develop a social conscience in insurance companies. Surely the minister in charge of housing wants to see a social conscience developed. He can do so by having a percentage of the accumulated savings of Canadians collected by insurance companies directed into the field of housing. At the moment housing represents a strong, persuasive power.

I give the minister credit for being a man of sincerity and ability, and I am sure he is anxious to solve our housing problems. He could solve them more easily and effectively if we gave him the power to direct a percentage of the investment moneys of insurance and trust companies into good social programs, especially in the field of housing. I notice that the minister appears to agree with what I have said. I am happy he has indicated such agreement.

Another matter which annoys me to no end is that the government wants money for public housing, yet through CMHC the government could go into the public market and borrow money for its operation. I think for the year 1970 it has borrowed between $800 million and $900 million. It did this by making loans or selling bonds to banks, insurance and trust companies. The result is that the government must pay anywhere from 6 per cent to 7 per cent interest on these bonds. This is part of government financing. I am sure the minister in charge of housing would like to see the day when he, through CMHC, could go to the Bank of Canada and have it undertake the financing in respect of housing in Canada. This would result in a substantial saving of interest, which is a very important consideration.

When people buy houses these days they pay interest rates ranging from 10 per cent on a first mortgage to 12 per cent or 15 per cent on a second mortgage. This makes the purchase of a house almost prohibitive. The average cost of a house in the city of Toronto is $42,000, which indicates that you must have a very substantial mortgage and make a substantial down payment to buy a home.

One of the keys to the solution of the housing problem is low interest rates on mortgages. I ask the minister in charge of housing to investigate the possibility of using Central Mortgage and Housing Corporation, rather than insurance and trust companies, to sell bonds. In this way purchasers of houses would not have to pay heavy interest rates to insurance and trust companies. Perhaps we could provide effective legislation so these people could go to the Bank of Canada to obtain loans at low interest rates. There would in this way be a substantial saving in respect of future housing. The saving on $900 million at 7 per cent would be in the area of $63 million. This is one of the ways we could inject a social conscience into the insurance companies.

Insurance companies have indicated by their actions and attitudes that they are no longer interested in housing. If they are interested, they are usually interested in apartments with large mortgages. I notice that the hon. member for York East (Mr. Otto) is here tonight. I am sure he agrees with me. When these companies place mortgages with builders of large apartment dwellings they acquire security through the mortgage and obtain an equity in the building. In other words, they have it both ways. They get interest on the mortgage and interest through equity participation. This is the attitude of insurance companies. They are not really interested in financing homes for the average individual; they are interested in very large mortgages and equity participation.

The time has come when we should take immediate and effective action so the Bank of Canada can participate in financing mortgages throughout the country. I would be happy if I thought the legislation before us would have this result. I think the only result it will have is less participation in mortgage financing across the country and more participation in equity, which will be of no assistance in grappling with the social problems we face today.

• (9:30 p.m.)

Mr. Gray: Mr. Speaker, the hon. member for Waterloo (Mr. Saltsman) covered a lot of ground in his remarks, as did the hon. member for Timiskaming (Mr. Peters), who did so both on this bill and on the previous bill. The hon. member for Waterloo had a lot to say about a whole array of new roles for the Canada Pension Plan. As I said, the hon. member for Timiskaming in the debate on this particular bill touched on a wide range of topics, as he did on the previous bill.

On the previous bill he placed on record some comments about companies in the consumer loans business even though the bill before the House dealt with mortgage loan companies other than consumer loan companies. The hon. member for Timiskaming on this piece of legislation, as on the previous bill, made some comments about interest rates and the payment of interest. He commented on what would happen if interest rates changed when speaking on the previous bill. Of course, if interest rates dropped the borrower could arrange a new mortgage at the lower rates by paying off the old mortgage. This would put mortgage, loan, insurance and other similar companies in the position where they would more or less have to renegotiate the mortgage if interest rates fell.

The hon. member made an interesting and useful comment in praising the Superintendent of Insurance and his officials. This praise is well founded. What he had to say underscored the fact that we now rely primarily on the report of the Superintendent of Insurance as a basis for making decisions in respect of the incorporation of companies under the act. The Superintendent of Insurance will continue to play this type of role if the House approves the amendments before it. The hon. member for Timiskaming also had some interesting comments about the methods used by life insurance salesmen. I am informed that the licences of agents, and therefore I would presume the methods they are able to use in trying to sell life insurance, to a large degree are a matter of provincial law.

The hon. member for Broadview (Mr. Gilbert) also covered quite a wide area. He seemed to return to a tack he was on in an earlier debate in which he appeared to have great sympathy for Social Credit monetary theories. I will say, to his credit, that he seems to be espousing Social Credit because he wants to make it possible for more housing to be built. I am glad to see that in wanting more housing he is of the same mind as I and most members of this House. It is worth while to remind the hon. member that the government has greatly increased the amount it is making available this year for the financing of the construction of public housing.

The hon. member directed his remarks through you, Mr. Speaker, to my colleague the Minister without Portfolio in charge of housing. I should remind the House, as I indicated earlier in the debate on the bills we dealt with previously, that the Minister without Portfolio in charge of housing has indicated to me his interest in seeing the provisions in the trust companies and loan companies legislation with which we have just dealt, and in this legislation as well if I am not mistaken, adopted, because I gather he feels this would make it easier for him to persuade the financial institutions in question to make money available for mortgage lending purposes.

The hon. member for Waterloo made some interesting suggestions with far-reaching implications. There are those who would consider them to be rather controversial. However, this bill has certain specific provisions which although more limited I submit are still necessary and important. The hon. member for Waterloo in moving his amendment asks that the bill be set aside. I submit that situations could arise in the future, although I hope they will not, which could not be set aside if the House decided to support his amendment, something I hope it will not do.

For example, there are situations which would require action by the Superintendent of Insurance in exercising control over companies which are in financial difficulty. He could not take action of this kind if this bill were not passed, because the authority to do so does not exist in the present legislation. Another example would be situations calling for amendments which would convey authority which should be available immediately, or

certainly in the near future, in respect of expanding the existing prohibition with regard to the making of loans to people who would not be considered at arm's length and where there are conflicts of interest.

One amendment creates a legislative requirement for the first time in respect of auditors for insurance companies and their reports. Another important amendment is one which would authorize companies to make mortgages in excess of the present limit of 75 per cent of the value of the real estate where the excess is insured by a registered mortgage insurance company.

In summary, one could say that the broad purposes and intents of these bills are, first to expand the power of the supervisory authority, the Superintendent of Insurance, to deal with companies which might get into financial difficulty with the aim of increasing the protection available for policyholders and the general public. This is also the intention of the expanded provisions that will prohibit investments and loans where there may be a conflict of interest.

Of course, the widening of the powers of insurance companies with regard to the type of investments they can make, and the ability to have subsidiaries, is aimed at putting them in a better competitive position in relation to other financial institutions which are seeking to attract savings from the public and therefore improve their ability to serve the public generally.

Therefore, I submit that the amendment to give this bill a six months' hoist should be defeated. I submit that no useful purpose will be served by doing this and in fact just the opposite will happen. These amendments are needed on the statute books so that they will be available at a time when they could well be required in the public interest.

Mr. Saltsman: Mr. Speaker, would the minister without Portfolio (Mr. Gray) permit a question.

Mr. Gray: Certainly.

Mr. Saltsman: In view of the minister's urging this chamber to pass this measure, and his expressed concern over the possible failure of an insurance company and the necessity to take action in such a case, would he indicate how many insurance companies have been in financial danger since this federally-incorporated act was placed on the statute books?

[Mr. Gray.]

Mr. Gray: Perhaps I might quote from the proceedings of the Committee on Finance, Trade and Economic Affairs, volume 20 of February 12, where the Superintendent of Insurance replied to a similar question from an hon. member in reference to companies which would be covered by the Investment Companies Act. He said:

—I was not aware of any companies of the type that would be covered by the Investment Companies Act that had got into difficulty where such companies were federally incorporated.

Unfortunately I cannot say that about insurance companies because as a consequence of the failure of the Prudential Financial Company a few years ago, one of the companies that was dragged down with that failure was a small federally incorporated insurance company transacting automobile, fire and casualty insurance. We were swept into that collapse with respect to this one company.

Our experience in that particular circumstance led to the recommendations for changes in the supervisory tools that would be available should a company get into difficulty. I should add that that particular company was the first failure that had occurred in a federally incorporated insurance company in more than 40 years, and there have never been any losses in connection with failures of federally incorporated life insurance companies.

I am sure that all members of this House would want to be certain there are the necessary provisions in the legislation to regulate insurance companies under federal jurisdiction to ensure that this good record continues.

• (9:40 p.m.)

Mr. Saltsman: I wonder whether the minister would accept a further question. I know he has quoted quite extensively, but in short what he said is that there has not been a failure of a federally-incorporated insurance company. Frankly, I do not see that there exists any real danger in the future and I see no great necessity for passing this legislation.

Mr. Gray: I do not think the hon. member heard completely what I quoted. I indicated there had been a failure of a small federally-incorporated insurance company in the general field.

Mr. Saltsman: What was the date?

Mr. Gray: It is in committee proceedings No. 20 of February 12, 1970.

Mr. Saltsman: I mean the date of the failure?

Mr. Gray: I think it was during the Prudential Finance crisis. If I may complete my answer to my hon. friend, I believe at one

stage in the debate he praised, in well deserved terms, the Superintendent of Insurance, his efforts, his reputation and his ability. This same gentleman whom he praised in such fullsome terms has recommended to the Finance Committee, to the government and therefore to his House, that the amendments before us to give him further powers to take certain additional action which he cannot take under the present legislation are both needed and necessary. I suggest that the hon. member for Waterloo should be willing to rely in this case at least on the opinion of a gentleman whom he praised so fully and whom he indicated deserved his respect and admiration.

Mr. Lewis: That is a *non sequitur*.

Mr. Gilbert: Mr. Speaker, may I ask the minister a question? I ask if he thinks the insurance companies will invest more money in mortgages as a result of changes in this legislation, taking into account the wider powers that they will have in equity participation and the indication that they will also participate in mutual funds. Does he think that insurance companies will invest as much, or more, money in housing?

Mr. Gray: When I was dealing with what was said by the hon. member for Broadview I was referring in general to the four bills that we have been studying: first, the two with regard to trust and loan companies and also the two bills, the first of which is before us now, dealing with insurance companies. I think there are things in the bill before us which could encourage insurance companies to make more money available for mortgage lending; for example, the proposed amendment which would not limit them to making mortgage loans limited to 75 per cent of the value of the property provided they have the excess insured with a registered mortgage insurance company.

The Acting Speaker (Mr. Béchard): Is the House ready for the question? The question is on the amendment of the hon. member for Waterloo (Mr. Saltsman). All those in favour of the amendment will please say yea.

Some hon. Members: Yea.

The Acting Speaker (Mr. Béchard): All those opposed will please say nay.

Some hon. Members: Nay.

Division

The Acting Speaker (Mr. Béchard): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mr. Béchard): Call in the members.

The House divided on the amendment (Mr. Saltsman) which was negatived on the following division:

• (9:50 p.m.)

YEAS

Messrs:

Barnett
Broadbent
Gilbert
Gleave
Harding
Knowles (Winnipeg North Centre)
Lewis
Orlikow
Peters
Saltsman
Skoberg—11.

NAYS

Messrs:

Alkenbrack
Andras
Barrett
Beaudoin
Bell
Breau
Buchanan
Caccia
Cadieu (Meadow Lake)
Cafik
Chappell
Clermont
Code
Comeau
Comtois
Corbin
Crouse
Cyr
Danson
Davis
Deakon
Dionne
Douglas (Assiniboia)
Downey
Émard
Fairweather
Forest
Forget
Fortin
Gendron
Gibson
Gillespie
Givens
Gray
Grills
Groos
Guay (St. Boniface)
Guilbault
Haidasz
Hopkins
Howard (Okanagan Boundary)
Hymmen
Kaplan
Knowles (Norfolk-Haldimand)
Korchinski
Lambert (Edmonton West)
Lang (Saskatoon-Humboldt)
Langlois
Laniel
La Salle
Leblanc (Laurier)
LeBlanc (Rimouski)
Lessard (LaSalle)
Lessard (Lac-Saint-Jean)
Loiselle
Macdonald (Rosedale)
MacGuigan
MacInnis (Cape Breton-East Richmond)
MacLean
McCutcheon
McGrath
McIlraith
McKinley
McNulty
Marceau
Marchand (Kamloops-Cariboo)
Matte
Muir (Cape Breton-The Sydneys)
Murphy
Nesbitt
Noble
Noël
O'Connell

Olson
Otto
Ouellet
Penner
Perrault
Pilon
Pringle
Prud'homme
Ricard
Richardson
Ritchie
Roberts
Rock
Rondeau
Schumacher
Serré
Smith (Northumberland-Miramichi)
Smith (Saint-Jean)
Stafford
Stanbury
Stewart (Okanagan-Kootenay)
St. Pierre
Thomas (Maisonneuve)
Wahn
Whelan
Whiting
Woolliams—100.

• (10:00 p.m.)

[*Translation*]

The Acting Speaker (Mr. Béchard): I declare the amendment lost.

[*English*]

Mr. Macdonald (Rosedale): Mr. Speaker, I wonder if there might be consent, notwithstanding the hour, to give this bill third reading now.

Some hon. Members: Agreed.

The Acting Speaker (Mr. Béchard): The question is on the main motion. Is it the pleasure of the House to adopt the said motion?

An hon. Member: On division.

Motion agreed to and bill read the third time and passed.

ROUTINE PROCEEDINGS

CONSTITUTION OF CANADA

ESTABLISHMENT OF COMMITTEE ON THE CONSTITUTION OF CANADA

Mr. Macdonald (Rosedale): Mr. Speaker, there has been some discussion with regard to the appointment of the Special Committee on the Constitution. I wonder if I could have the consent of the House to revert to motions and put to the House the motion to appoint the membership of the committee.

The Acting Speaker (Mr. Béchard): Does the House agree to revert to motions?

Some hon. Members: Agreed.

Hon. Donald S. Macdonald (President of the Privy Council) moved:

That the members of the House of Commons on the Special Joint Parliamentary Committee on the Constitution of Canada be Messrs. Alexander, Allmand, Asselin, Baldwin, Breau, Brewin, Dinsdale, Fortin, Gibson, Hogarth, Hopkins, Lachance, Lewis, MacGuigan, Marceau, McQuaid, Osler, Ouellet, Roberts and Woolliams:

And that a message be sent to the Senate to acquaint Their Honours thereof.

That is an all-star cast, Mr. Speaker.

Mr. Peters: God save the Constitution!

Motion agreed to.

PROCEEDINGS ON ADJOURNMENT MOTION

NATIONAL FILM BOARD—RECONSIDERATION OF LEVYING CHARGES FOR USE OF FILM

Mr. R. Gordon L. Fairweather (Fundy-Royal): Mr. Speaker, there have been consultations between the minister and myself and I have accordingly agreed to postpone my presentation.

FISHERIES AND FORESTRY—TREATMENT OF SURPLUS EMPLOYEES—USE OF PUBLIC SERVICE COMMISSION REVIEW PROCEDURES

Mr. David Orlikow (Winnipeg North): Mr. Speaker, on February 20, in the absence of the Minister of Fisheries and Forestry (Mr. Davis), I directed a question to the Prime Minister.

The Acting Speaker (Mr. Béchard): Order, please. Could we have order in the chamber, please?

Mr. Orlikow: I asked whether in view of the large numbers of lay-offs of highly qualified scientists in the Department of Forestry and the government's inability to find alternative employment, the government even at that late date would consider following the procedure suggested to all departments by the Public Service Commission and establish an adequate review procedure so as to protect the rights of employees. The Parliamentary Secretary to the minister replied that he did not think this was necessary because the department felt it had established the most complete and competent review procedures possible and employees have the right to appeal decisions made with regard to lay-offs.

It is indeed a deplorable situation we find in our Department of Forestry. I had thought that the No. 1 Scrooge in this government

was the President of the Treasury Board (Mr. Drury). Everything I find reprehensible, I find in the President of the Treasury Board whose attitude is a perfect example of that to be found in one of the richest constituencies in the country. Now I think the Minister of Fisheries and Forestry occupies the No. 1 spot. His department has dismissed a large number of very highly qualified people who have been in the government service for many years. They have reached the age of 50 or more and are therefore unable to find alternative employment.

Let me put on record several of these cases. In Victoria the affected men are Dr. Lorne Eben, a tree physiologist; Dr. Ajai Mansigh, an entomologist; Dr. Joe Baker, a soil scientist; Dr. Donald Edwards, an entomologist; and Vernon Phelps, a research director. In Winnipeg, my city, the affected men are Dr. G. A. Bradley, a highly specialized insect taxonomist who is 57 years old and has served the government for 30 years, and Dr. R. J. Heron, a physiologist, aged 50 who has served 25 years in the public service.

I have mentioned seven cases. These are all men who have sacrificed the possibility of higher pay in industry for the security they expected in a public service careers. They have given most of their productive lives to the public service of Canada and have served this country well. They have not only been dismissed but classified, quite obviously, as deadwood.

• (10:10 p.m.)

What does their dismissal mean, Mr. Speaker? Some of them have worked a number of years for the department. They cannot find new work. What happens? Their retirement pensions are affected very adversely. Their pensions, as with all civil service pensions, are based on 2 per cent of their best six years in the service. Only in the last few years have salaries increased quickly. These employees will not get six of the best years at the high salary; their pensions will be computed on a much lower salary scale. In addition, since they will not have a full 35 years' service, their pension will be smaller than it should be. Because they have to draw their pensions early, the pensions will be prorated, making them even less valuable than the 2 per cent of the best six years which employees have a right to expect.

The chairman of the Public Service Commission in a communiqué to all department said the commission feels that the absence of a review process in this situation—meaning dismissals—is inconsistent with the philosophy of the Public Service Employment Act and regulations. For this reason the commission feels that each deputy head should establish an administrative review procedure to which an employee who has been declared a lay-off may have access.

Under that procedure an outside person should be a member of the review committee. The minister says we have a good review procedure, one can appeal to the deputy minister of the department who has already considered the personnel of the department and decided, on the basis of the minister's statement, who is deadwood and should be given a notice of dismissal. You can appeal, but the deputy minister and the other stooges of this minister will be judge, jury and executioner. That is the kind of just society the minister and this government proposes.

I do not think it is to the credit of the minister that there have been more complaints by employees of this department than any other—possibly more than all departments of government combined. This minister is trying to gain some points in the eyes of the Prime Minister (Mr. Trudeau) because he is the most aggressive minister in implementing the austerity program which the Prime Minister has called for on the part of the civil service.

If the minister is going to be as stubborn and stupid as he has been up until now with regard to dismissals, the least he can do is take the advice of the chairman of the Public Service Commission, who knows a good deal more about employer-employee relations than this minister will ever know, and set up the kind of review procedure which will mean that qualified employees who are being dismissed will at least have the feeling they have had a fair hearing—not the kind of kangaroo court which the minister and his department set up for them.

Hon. Jack Davis (Minister of Fisheries and Forestry): Mr. Speaker, perhaps I could outline very briefly what our problem has been. We are endeavouring in the Fisheries and Forestry Department to operate within the same budget as we had, not just last year but the year before. In other words, for three years in a row, running into next year, we

will have had the same number of dollars with which to meet principally operating costs.

In the case of the forestry service, which is almost exclusively salaries and wages, we have the same number of dollars. Clearly, with a 20 per cent increase in salaries to be digested over a period of 20 months, we have a problem in respect of personnel. I might also add that in the forestry service there was a remarkable increase in employment between the early sixties and 1968, so many of the people in the forestry service are relatively young and are new recruits.

With this stringency in respect of budgets which was decided in July of last year, we moved immediately to look at and pare away some of the programs. Priorities were struck in close consultation with the universities and with industry and a number of programs were scheduled for elimination during this winter and in the coming year. Individuals were not the subject of this review; programs were the subject of the review. When the programs concerned certain people who were engaged in them, and they were highly specialized in the work, they were, unfortunately, caught in a situation which was none of their making.

The executive director of the Professional Institute made inquiries recently as to our review procedure. I replied to him in a letter which was sent on February 24, 1970, which read as follows:

> Once the financial guidelines for 1970-71 were made known, an intensive review was undertaken in the Forestry Service of methods by which the guidelines could be adhered to. This review started in June and the initial stage was concluded in late November. All establishment directors and senior management personnel at headquarters were intimately and continuously involved in the exhaustive review process. Every attempt was made to retain the more important programs and as many of the employees of the Forestry Service as the financial situation would permit.
>
> It is because all senior management staff were involved in the intensive review of programs, priorities and professional personnel, that the suggestion of the Public Service Commission re establishment of an "administrative review procedure" does not meet the situation in the Forestry Service. This has been explained to representatives of the Professional Institute. Nevertheless, if it would be helpful to you, Dr. Prebble, Assistant Deputy Minister (Forestry), could meet with you and a representative of the Public Service Commission—

The Acting Speaker (Mr. Béchard): Order. The hon. member for Champlain (Mr. Matte).

[Mr. Davis.]

[*Translation*]

SPORTS—GRANT TO THE QUEBEC AMATEUR HOCKEY ASSOCIATION

Mr. René Matte (Champlain): Mr. Speaker, a few days ago I asked a question concerning sports and, more specifically, hockey.

There is in Canada a sacrosanct principle: sports and language do not mix; there must be no nationalism in sports.

Mr. Speaker, I take the liberty of disregarding this warning and not respecting this principle. Under the pretense of fair play, good will and sportsmanship, it seems that a great many young Quebecers are treated injustly.

I could make a detailed account of all anomalies which exist in the field of sports and which prejudice French-Canadians. We represent about 30 per cent of the population and when one or two of my fellow citizens manage, for example, to get on the Canadian teams sent abroad, we can say we are lucky. This could be justified in many ways.

However, as for hockey, it would be somewhat difficult to explain how the province which has the best hockey players in the world—I am referring to the Montreal Canadiens—can be for all practical purposes neglected when a national team is recruited?

Why is it that for so long—and that still holds true today—we have allowed our young players of the Junior A league to emigrate to Ontario cities? One will answer that in that province the standing of players is higher and this is not surprising considering the raids made in Quebec.

All this to come to the question which I asked the minister a few days ago, that is if complaints had been made to the minister by the Quebec Amateur Hockey Association concerning the allotment of funds by the Canadian Amateur Hockey Association.

According to newspaper reports, this agency is granting only $9,000 to the Quebec Association as against $27,000 to the Ontario one. Yet, there would be twice as many teams in Quebec as in Ontario.

Mr. Stanley Haidasz (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, according to information available to me, we have not received any direct complaint from the Quebec Amateur Hockey Association regarding grants from the Canadian Amateur Hockey Association.

The grant money in question was not given by our department but through a development fund as part of the agreement with the National Hockey League.

It is my understanding that resolutions re distribution of this type of fund will be dealt with at the next annual meeting of the Canadian Amateur Hockey Association in May, this year.

[*English*]

Motion agreed to and the House adjourned at 10.23 p.m.

HOUSE OF COMMONS

Friday, February 27, 1970

The House met at 11 a.m.

ROUTINE PROCEEDINGS

BUSINESS OF THE HOUSE

CHANGES IN ITEMS ANNOUNCED

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, I should like to make an announcement of a change of business for today and also for next Wednesday and Thursday. The order of business today will be as follows: government order No. 55, the Quarantine Act, will be the first item, to be followed by government order No. 71, the Parole Act, as the second item. The third and fourth items will be government order No. 43, report stage of Bill S-7, the Foreign Insurance Companies Act, and government order No. 65, with regard to televising the proceedings of the House. The opposition day will not be next Wednesday as announced but rather on Thursday of next week. The bill on the establishment of a Standards Council of Canada will not be proceeded with in the coming week.

Next Tuesday, after consultation, I will be making an announcement with regard to the business to take place on Wednesday in place of the opposition day.

Mr. Woolliams: May I speak on this matter, Mr. Speaker? Could the House leader advise us at this stage whether there has been agreement among the House leaders that the bill amending the Parole Board Act will receive all readings today?

Mr. Macdonald (Rosedale): My understanding is that there is no agreement on that point.

THE BUDGET

TABLING OF BUDGETARY PAPERS

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, I wish to table copies in the two official languages of the budgetary papers, and I ask for the consent of the House to have the papers printed as an appendix to today's *Votes and Proceedings* and also included as an appendix to *Hansard* of Thursday, March 12, when I intend to present the budget.

Mr. Speaker: Is this agreed?

Some hon. Members: Agreed.

[*Editor's Note: For text of papers referred to above, see today's Votes and Proceedings.*]

GRAIN

ANNOUNCEMENT OF PAYMENTS FOR REDUCTION OF WHEAT ACREAGE

Hon. Otto E. Lang (Minister without Portfolio): Mr. Speaker, the carryover of wheat in Canada will be approximately 950 million bushels on July 31 of this year, equivalent to nearly two years' disappearance. To reach a stock position in reasonable relationship to normal sales volumes, production of wheat must be reduced substantially below sales level. The number of years during which production need be so reduced depends upon the vigour with which the problem is attacked.

Closely related to the surplus in wheat is a current shortage of cash among western grain growers. The effects of a cash shortage are evident throughout the Prairies, but are particularly acute in Saskatchewan whose farmers are now carrying more than two-thirds of the total stocks on farms.

Unless strong action is taken now the prospect is for a heavy movement of acreage out of wheat and into coarse grains and oilseeds. The wheat producer is in a position in which he must attempt to increase his cash return. In large measure, this would lead to increased acreage in other crops. Our stock positions, particularly in oats and barley, are already high. A further increase in acreage in these crops this year would result in burdensome surplus and lower prices for these products. This would create extreme difficulties for producers whose incomes normally depend on the sales of these crops.

• (11:10 a.m.)

In oilseeds there is reason to believe that some increase can be accommodated without serious effects on prices and delivery levels

available to producers. Indications are, however, that rapeseed acreages will be increased sharply this year to the point where surplus in this crop appears to be a likelihood.

We recognize that long-term adjustment programs are needed and the government is hard at work on these. In the meantime we are faced with a serious wheat surplus situation that must be relieved quickly if we hope to prevent this problem from seriously injuring the whole agricultural industry.

Producers on their own initiative reduced wheat plantings by five million acres in 1969. However, the current income and cash position of prairie grain producers makes it unrealistic to expect that producers would reduce plantings to a desirable level in 1970, bearing this further major adjustment without direct government assistance.

Government leadership is necessary if adjustment is to take place without creating more serious problems, not only for wheat farmers but for farmers throughout Canada, and by extension for the whole economy. Whatever government action is taken the weight of the adjustment must be borne by wheat producers themselves—and I believe they will accept the need to make the adjustment.

The government proposes to implement a program to reduce wheat acreage and to encourage farmers in the Wheat Board designated region to hold this land out of production of any crop this year. I have discussed this program fully with the leaders of farm organizations in western Canada and in many respects the program as it is now proposed has been improved by the adoption of their recommendations.

The proposed program is as follows:

Producers in the Wheat Board designated region who reduce wheat acreage below 1969 levels and increase summerfallow or perennial forage by the same amount will receive federal compensation payments of $6 per acre for additions to summerfallow or $10 per acre for additions to perennial forage acreage. Partial payment will be made before the end of July and the balance will be paid in the fall of this year.

Compensation payments will be available to a maximum of 22 million acres of additional summerfallow and 2 million acres of additional perennial forage. A maximum of 1,000 acres for any individual producer will be eligible for compensation payments.

[Mr. Lang.]

The actual cost to the government of the program, which will be administered by the Canada Department of Agriculture, is estimated at $100 million.

Wheat delivery quotas for the 1970-71 crop year will be based on the total of

(a) 25 per cent of summerfallow acreage as stated on the producers 1969 permit book,

(b) total acreage of summerfallow in 1970, and

(c) the amount by which acreage in perennial forage in 1970 exceeds the acreage in perennial forage in 1969.

Quotas for oats, barley, soft spring wheat and other crops to which delivery quotas apply will be based on acres seeded to each crop in 1970. In addition, any producer may choose to allocate any or all of his acres qualified for wheat quota to any other crop instead of wheat.

This program will provide needed income to hard-pressed grain growers and encourage them to dispose of wheat stocks already piled up on their farms. It will allow farmers to cut back drastically on wheat acreage while at the same time discouraging the wholesale switch to other crops.

A sharp reduction in wheat stocks will greatly enhance the continuing effort to strengthen international wheat prices. Foreign buyers are not willing to pay top prices when they know we are sitting on a mountain of grain. If farmers get behind this program and support it to the fullest, as I am sure they will, the cash position of grain producers and the whole prairie economy will be substantially improved this fall.

This major initiative in reducing wheat stocks provides a unique opportunity for moving forward toward co-ordinated global programs of production policies for grain. The benefits from the new Canadian program will extend well beyond Canada to the world wheat economy. The governments of other exporting nations are similarly preoccupied with the problems of surplus production; some have programs in place or are examining new ones designed to minimize the problem. This initiative in Canada, which represents a new and much stronger attack on the problems of surplus production, should add impetus to international efforts to stabilize the world grain economy.

In order that this opportunity should not be lost, I have proposed to the governments of Australia, Argentina and the U.S.A. and to the Commission of the European Economic

Community that a meeting be held at ministerial level to review the Canadian program and consider complementary action which might be taken by others designed to compound its benefits internationally. I am confident these governments will agree to participate in an early meeting and I am hopeful this will mark a turning point in our efforts to rationalize the world grain situation.

In the meantime, every effort is being made to increase export sales. Increased food aid shipments and more attractive credit facilities have assisted the Canadian Wheat Board in attaining sales that will reach 375 million bushels this year, greater than any year save one in the history of the board from 1943 to the year of the first major purchase by the U.S.S.R. in 1963.

With the successful completion of this major reduction program, market forecasts indicate that Canada will be able to return to a level of production in the area of 20 million acres. Additional measures will be required in 1971 to assure that production does not exceed acceptable levels.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, one thought was expressed by the minister with which I am in complete agreement, that this is a situation which requires government leadership. After listening to the minister we are still waiting for that leadership. The opposition has been pressing for months to get the government to make commitments as to its long-range intention with regard to agricultural problems, including the extremely serious situation in western Canada. As usual, we have been fobbed off by the minister and his colleague the Minister of Agriculture who hide behind the officially accepted phrase that the government uses to cover up inaction and incompetence and inefficiency—"The government has the matter under consideration and will announce its policy in due course."

The day of "due course" has arrived, Mr. Speaker. The minister has laboured and produced a limited and shabby program for the farmers and the agricultural community in western Canada, all the people whose future looks so bleak. In light of the information we have, what he has produced is entirely inadequate. The fact is that the agricultural industry in general and certainly in the west has fallen into disastrous conditions, a disastrous situation. This is something which is not temporary but shows all signs of becoming a permanent blight brought on to a large extent, we recognize, by world conditions but certainly aggravated by the fact that this government is, and for some years has been bankrupt of ideas and intelligence in this regard. In our view and in the view of the agricultural community there is a sense of sterility and defeatism, and this is apparent in the statement made by the minister today.

Just yesterday, Mr. Speaker, in a special report to the Economic Council of Canada by Mr. S. C. Hudson, former director of economics in the federal Department of Agriculture, made a statement that some of the main reasons for the difficulties, particularly in western Canada agriculture, are the lack of uniformity in the protein content of Canadian wheat shipments, a lack of flexibility in pricing and insufficient market development work. There are other criticisms but these alone I give to the House today because of the limited time at my disposal.

The growing feeling of frustration, anger and alienation in the west will not be eased but will in fact be compounded by the minister's statement. As practical people we in the west do not expect miracles and understand that problems of the nature of those which afflict us will require long-range treatment. Certainly not since 1963 have we expected or received too much from this government, but we did feel entitled at least to some understanding and to some sympathetic consideration and proof of determined effort to get at the root of the problems.

I suppose we should not have expected or hoped for too much understanding from a government headed by a Prime Minister who publicly indicates his indifference to the problems of selling wheat, but we did hope for something better from the western representatives on the government side, particularly those in the cabinet. Not only have they been ineffective in pleading the cause of the west but in my humble opinion they have ended up as collaborators in proposing completely unacceptable programs. I do not think that any other countries in the world are taking this defeatist attitude.

What about the problems of the manpower surplus which is being created? What about crash manpower programs? What about the regional incentive programs designed to meet situations of this kind? What about surpluses which may result from changing the emphasis from wheat to other crops? What about the surplus wheat which will result from this land which is being summerfallowed? These are all questions which need to be answered and have not been answered.

Grain Payments

• (11:20 a.m.)

While, of course, many farmers will experience some temporary benefit from the program which has been announced, there is nothing in the statement nor in anything this government has suggested to show that the government has any real, long-range solutions to the problems affecting the people of western Canada. I say to the minister and to the government that what has been announced will not by itself prove an acceptable substitute for those things which must be done.

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, the minister's statement demonstrates the government's complete intellectual bankruptcy. After having bungled the whole question of Canadian wheat marketing, the best solution this government can offer is to pay the farmers for not producing wheat. This government has been in office for some seven years and has done nothing to adopt aggressive sales policies like those followed by our competitors in world markets.

Mr. Hees: And by the previous government.

Mr. Douglas: It has continued using an anachronistic grading system. When some of our competitors were adopting a grading system based on protein content, this government continued employing a grading system which is out of date. Furthermore, this government allowed itself to be manoeuvred into dropping the old International Wheat Agreement and into organizing the International Grains Arrangement under GATT which eliminated the Soviet Union, one of our competitors, and left it free to do whatever it liked in this field.

The government also allowed itself to be manoeuvred into permitting an 11-month hiatus between the end of the International Wheat Agreement and the beginning of the International Grains Arrangement. The result was that during that period many of our competitors sold below the minimum price and continued selling below the minimum price even after the International Grains Arrangement came into effect. Canada was pushed more and more out of the market and some of our competitors have been successful in selling wheat, whereas we have not been as successful.

The best the government can do now is the program outlined today. When millions of people in a hungry world go to bed hungry every night, I submit it is the height of

[Mr. Baldwin.]

insanity for a Liberal government to offer to pay farmers to take 22 million acres of land out of wheat production.

The minister's statement also represents a breach of faith with the wheat growers of western Canada. During the last election campaign the Prime Minister and some of his ministers said that the farmers could be sure that over a three-year period the government would be able to sell 1.3 billion bushels of wheat, an average of 433 million bushels yearly. On the basis of the price they were supposed to be guaranteed under the International Grains Arrangement, the farmers planted their wheat accordingly. The end result of all this is that the farmers have suffered a very drastic decline in their farm incomes in western Canada.

I notice that the National Farmers Union has sent the Prime Minister a bill for $385 million which it says is the difference between what the Prime Minister and the Minister of Energy, Mines and Resources, who was then Minister of Agriculture, said the farmers would receive and what they actually received. The loss of $385 million to the wheat producers of western Canada represents not only a disaster for them but a catastrophe for the whole western economy. And what is the government offering in exchange? It is not offering them a diversification program. Instead, by calculation and design it will prevent farmers switching over into the production of other crops or increasing their cattle and other livestock.

The government has now introduced an element of compulsion by basing the wheat deliveries in the crop year 1970-71 on how much land the farmer puts into either summerfallow or perennial forage crops. They are virtually preventing the farmers from going into diversification by insisting that if they want to sell the wheat they have on hand they should get out of production of coarse grains and wheat to the extent of 22 million acres.

The government is offering the farmers in compensation $6 an acre for wheat land put into summerfallow and $10 an acre for land put into perennial forage crops. I remind the House that the only other time acreage payments were paid for crop reduction was during the war. In 1941, when wheat was selling at the local elevator at 50 cents a bushel, the farmers were paid $4 per acre. On that basis the government should be paying at least $8 or $10 an acre for land to be put

into summerfallow. A payment of $6 an acre will not begin to compensate the farmers.

The members of this House should not be under the impression that there is no cost involved when putting land into summerfallow or perennial forage crops. It costs money to buy forage seed and to put the land into forage crops. These amounts of $6 and $10 will barely, if at all, cover the cost of summerfallow and putting land into perennial forage crops. Where is the compensation for the loss of income arising from the fact the farmer is not able to grow and deliver wheat to the Wheat Board? There is no compensation for that at all. This is a very small sop to throw the farmers of western Canada who have been betrayed by this government on whose promises the farmers depended. They now find that those promises are completely worthless.

We cannot discuss this matter at length, Mr. Speaker, because we are on motions, but I submit to Your Honour and the government that an early opportunity should be provided during which this whole matter can be debated in the House. An opportunity should be given for the minister to be more specific about some of the details which we cannot get during the question period. I hope an opportunity will be provided next week so we can have a full debate on this question.

I am convinced that the wheat producers of western Canada and the people of the prairie provinces in particular will be disappointed and disgusted at this "Minnie" mouse that has been brought forth by the government after a long labour.

[*Translation*]

Mr. René Matte (Champlain): Mr. Speaker, the efforts of the government to try and find a solution to the intricate problem facing wheat producers should not make us lose sight of certain basic principles which are to be preserved.

Can we allow for immediate application of a solution such as the one proposed by the minister in his statement, and I quote:

> A sharp reduction in wheat stocks will greatly enhance the continuing effort to strengthen international wheat prices.

In working towards an increase in prices, are we not contributing to create inflation which the government has tried to combat by all possible means in the last few months? On the one hand, we are trying to prevent increases in salaries and prices and, on the other hand, we adopt a measure designed to increase prices.

If Providence has provided us with a great abundance of consumer goods, man should benefit by it.

And if we are enjoying abundance, we should normally let the greatest possible number of people profit thereof, beginning with Canadians. It is, in my opinion, a basic humanitarian principle.

The proposed solution could at the most temporarily encourage a certain number of producers, but as pointed out by the previous speakers, it does not solve that thorny problem.

Therefore, the government should consider the solutions which we have always advocated, that is the creation of new means of distribution and if necessary, the reduction rather than an increase of prices, in order to encourage the human being, which should be the object of every logical policy.

• (11:30 a.m.)

[*English*]

INDUSTRY

COPPER—DOMESTIC MARKET SUPPLY LEVEL AND PRICE

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, I wish to advise the House that after consultation with the Prices and Incomes Commission, I have informed the copper and copper concentrate producers, the secondary materials handlers and the copper fabricators, that as of March 1 the supply of copper into the domestic market will be assured at a level of 23,500 tons per month at a price of 59 cents per pound. This price, the lowest in the world, is 7 cents less than the 66 cents per pound price announced by the producers on January 1. It compares with the United States effective price of 69 cents per pound Canadian and the London Metals Exchange price of 80 cents per pound Canadian. This is a positive step in the direction of containing inflationary pressures in our economy.

[*Translation*]

Mr. Speaker, the secondary materials handlers have been advised that our export of copper scrap will be limited to the level of exports during the last six months of 1969. This level is 4,000 tons per month or 20 per cent less than the 1969 average.

In order to provide for a more equitable distribution between producers of the supply requirement of 23,500 tons per month, all

mines east of the Rockies will now be required to make an appropriate contribution to this supply.

[*English*]

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I am sure the House has been interested to hear the minister's statement. It appears he has been moving in the right direction and I commend him for it.

Now that he has done this, perhaps he can take a little time to aid his colleague in charge of the Wheat Board to dispose of our vast quantities of wheat, because our wheat disposal program today is worse than it has been for 14 years—

Some hon. Members: Order.

Mr. Speaker: Order.

Mr. Hees: —recalling the deplorable situation which the previous Liberal government allowed to occur.

Mr. Speaker: Order, please. The hon. member's comments should be limited to the statement made by the minister.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, on January 1, 1969 the price of copper was 45 cents a pound. Before this last increase, about which there has been negotiation between the government and the copper producers, there had already been three increases concerning which the government made no comment. The result is that even taking into account the agreement on the part of the copper producers to limit their present price to 59 cents a pound, increases in the price of copper during the last 13 months amount to more than 30 per cent. This does not take into account the fact, which the minister has admitted, that the price of 59 cents a pound will not cover all the needs of Canadian users of copper; they will have to pay a good deal more for a substantial percentage of the copper they require.

This increase in price comes at a time when the profits of the copper producers—Noranda, Inco, Falconbridge, Texas Gulf—are higher than they ever were in the past. Their admitted profits, which are less than their actual profits, have been increasing by more than 10 per cent a year. The acquiescence on the part of the government makes it clear that price increases are not caused by wage increases. Price increases amounting to more than 30 per cent in one year amount to substantially more than any wage increases won by workers in the copper industry in that year. It is also clear that the government's appeal to industry to hold any price increases which they may implement to a figure less than the actual increase in costs has been a failure.

There is no evidence that the copper producers demonstrated to the Prices and Incomes Commission or to the Minister of Consumer and Corporate Affairs or to the Minister of Industry, Trade and Commerce, who made this statement today, that this increase to which the hon. gentleman is agreeing has been made necessary by increased costs or falling profits. It is obvious the increase is due to the fact that the world price of copper has substantially increased because of the shortage of copper. The copper companies are saying they are entitled to this increase because they could get more in the United States. I suggest to the minister and to the government that the workers in this industry or in any other industry would be less than human if they did not take the same attitude of being entitled to ask, fight for and get whatever the traffic will bear, just as the copper companies have done, and to ignore the pious appeals made by the Prime Minister and the hon. gentleman that they should show some restraint in the future.

[*Translation*]

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I wish to thank the Minister of Industry, Trade and Commerce (Mr. Pepin) who was kind enough to make his statement available to us in both official languages, and I will try to keep my comments as brief as his statement.

The minister announced that a decision has been taken with a view to keeping prices at a level below that of the American and the London markets. At first sight, this decision would give to understand that if would-be London customers could buy copper on the Canadian market at 21 cents less than on their domestic market or at 10 cents less than in the United States we would increase the number of our customers. But the minister and the government saw fit to set the Canadian production at the level of 23,500 tons a month.

Besides, the minister says that producers in eastern Canada should try not to exceed that production level. I think that is a normal attitude, because even if they could produce much more and new mines could be developed to give work to thousands of unemployed, the government is slow in announcing whether the subsidies to gold mines development will be renewed this year. The

uncertainty causes great worry to mining producers and, particularly, to the miners of northwestern Quebec, an important mining region.

The two statements will greatly disturb the mine workers in eastern Canada who are the most affected.

• (11:40 a.m.)

[*English*]

ORAL QUESTION PERIOD

GRAIN

WHEAT—LONG-RANGE SOLUTIONS TO PROBLEMS

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I had a question to pose to the Minister without Portfolio who made a statement today, and in this connection I should like to raise a question of privilege in order to call Your Honour's attention to a criticism I should like to make. The minister made a statement which posed more questions than it gave answers, and I think it is shameful that the minister and the Minister of Agriculture have run out of the House before exposing themselves to proper questioning.

Some hon. Members: Shame!

Mr. Baldwin: I direct my question to the Prime Minister. In light of the urgency posed by the special report of the Economic Council of Canada, and having in mind the valid criticism of the minister's statement voiced today, is it the intention of the government of Canada to propose, in addition to the inadequate measures announced today, some long-range solutions to the problems facing our agricultural producers in western Canada?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I am sure the minister will be back shortly. Perhaps he has played the usual opposition trick of running out to get to the television cameras before hon. gentlemen opposite do.

Some hon. Members: Oh, oh!

Mr. Hees: Listen to the old shrugger. Come on, get those arms working.

Mr. Speaker: Order, please.

Mr. Woolliams: Mr. Speaker, on a question of privilege, I think the Prime Minister has imputed motives to members on this side.

Some hon. Members: Oh, oh!

Mr. Woolliams: It seems to me the Prime Minister is taking a very childish approach to the serious problems that are confronting western Canada.

Mr. MacInnis: Mr. Speaker—

Mr. Speaker: Order, please. I will recognize the hon. member in a moment. I understand the hon. member for Nanaimo-Cowichan-The Islands has a supplementary.

Mr. Douglas (Nanaimo-Cowichan-The Islands): No, Mr. Speaker, I was not rising on a supplementary.

Mr. Speaker: I am sorry. Then I recognize the hon. member for Cape Breton-East Richmond.

Mr. MacInnis: Mr. Speaker, I rise on a question of privilege. In view of the Prime Minister's childish approach I would ask Your Honour to rule whether or not it is proper that the Prime Minister should come into this House and bring his toys with him.

Mr. Speaker: Order, please. I do not think we should get involved in this situation too deeply. This type of point of order or question of privilege has been raised before, and I have made rulings in the past which would indicate that the point raised by the hon. member is well taken.

Some hon. Members: Hear, hear!

Mr. Speaker: The point has obviously been well taken. I recognize the right hon. member for Prince Albert.

THE CANADIAN ECONOMY

INFLATION—IMPOSITION OF POSTPONED RAILWAY FREIGHT RATE INCREASE

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, I would direct my question to the Prime Minister. Having regard to the way in which he spoke on February 18, when he said prices were going to be kept reasonable and restrained—and he particularly mentioned freight rates—and since both the CNR and the CPR have given notice that on the first day of March they intend to raise their rates on livestock and a range of other commodities, which again will strike a further blow against agriculture, will the Prime Minister say what representations were made to the CNR and the CPR? In particular, in view of the fact that the CNR is a government-owned railway, what is going to be done to prevent this increase taking place?

Inquiries of the Ministry

Right Hon. P. E. Trudeau (Prime Minister): Perhaps the Minister of Transport wants to answer this question.

Mr. Diefenbaker: No; I asked the Prime Minister, who told us how he was going to save this nation from inflation. Now he cannot answer the question.

Mr. Speaker: Order, please.

Mr. Trudeau: Mr. Speaker, I do not know what the Canadian Transport Commission will be doing with regard to this application, if such be the case. However, I will make sure that the Prices and Incomes Commission considers these facts as they have been stated.

Mr. Diefenbaker: As the increase of livestock rates—

Mr. Speaker: Order, please. Has the right hon. gentleman a supplementary question?

Mr. Diefenbaker: Yes, Mr. Speaker. As these increases will be taking effect as of the first day of March, which is two days away, will the Prime Minister personally have the matter looked into, or does this mean the end of all those roseate promises in regard to inflation that he made on February 18?

Mr. Trudeau: If the right hon. gentleman has been following the evolution of this situation, he will have seen that there has never been any statement made that prices or charges will be frozen absolutely, but rather that there will be voluntary restraint. I also said that if restraint did not come about voluntarily, then governments at all levels would consider other measures. No decision was made at any level, at least that I know of, that before increases took place governments should intervene. What we said was that if increases were made that were not justified, then we would intervene.

Mr. Diefenbaker: One further supplementary question. Since this will be the second increase in freight rates on meat and livestock within one year, does the Prime Minister consider that the railway corporation owned by the people of Canada is exercising a reasonable and responsible sense of restraint, something to which he gave such voluble and vocal support?

Mr. Speaker: Order, please.

[Mr. Diefenbaker.]

GRAIN

WHEAT—ACREAGE REDUCTION PAYMENTS—LONG-RANGE SOLUTIONS TO PROBLEMS—IMPROVEMENT OF SALES

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I direct a question to the Minister without Portfolio who is in charge of the Wheat Board.

Mr. Diefenbaker: Has he returned from the television cameras?

Mr. Douglas (Nanaimo-Cowichan-The Islands): I can understand the minister leaving the chamber to get on television, though if he were like the Prime Minister he would have so much free time that he would not need to leave the House for that purpose. May I ask the minister, arising out of the statement he has made today, whether the provisions relating to these acreage reduction payments will be brought down in the form of legislation, and whether they will apply to this crop year only or is this to be a continuing program until further notice?

Hon. Otto E. Lang (Minister without Portfolio): Mr. Speaker, the form of the acreage payment will be made apparent in short order. The program is, of course, one that is specifically designed to meet a surplus production of 22 million acres, or approximately 500 million bushels of wheat, and is tailored to that end. Therefore, given full compliance with and the fullest participation in the program on the part of the farmers, the program is for one year only.

Mr. Douglas (Nanaimo-Cowichan-The Islands): A supplementary question. The minister did not answer the first part of my question. Will these payments be made in accordance with legislation passed by this House, or does the minister plan some other method of making these payments? Will a bill be brought down to provide for these acreage payments?

Mr. Lang: Mr. Speaker, the intention is that the amount required for these payments will appear in the supplementary estimates and will be before the House in that form.

Mr. Douglas (Nanaimo-Cowichan-The Islands): A further supplementary question, Mr. Speaker. Can the minister tell the House on what basis he arrived at the figure of $6 an acre for summerfallow and $10 an acre for perennial forage crops? Is this based on the cost of performing the work, or what?

Mr. Lang: Mr. Speaker, we looked at a great variety of material in arriving at this result, the cost per acre in maintaining the land in a state of minimum production, and being mindful, of course, of the saving that is in fact made by a farmer in his cost of production. So in that sense his stated minimum production figures are not particularly relevant. We had long discussions with the farm leaders about the amounts involved and the total cash position in arriving at the figures.

Mr. G. W. Baldwin (Peace River): In light of the criticisms voiced and statements made in the special report of the Economic Council of Canada, has the government any intention to bring forward proposals for long-range solutions to deal with the causes and not just the effects as was done in the minister's statement today?

Mr. Lang: With regard to some of the causes as stated in the Economic Council report, we have engaged in a most vigorous campaign to improve the sales effort in every way possible through legislation extending credit facilities, food aid programs, and in every other way. We also have under consideration many programs of a long-term nature designed to look at other aspects of the agricultural industry in an effort to allow the maximum benefit from his product to be returned to the farmer through the elimination of waste through inefficiency which results from the situation being not in the best possible condition.

Hon. George Hees (Prince Edward-Hastings): I have a supplementary question, Mr. Speaker. In view of the fact that Canada's sales of wheat and wheat flour are 31 per cent below what they were in the last crop year against a drop of only 6 per cent in the United States and again of over 50 per cent by Argentina and Australia, would the minister take the first opportunity on motions to outline what steps he and the government intend to take to bring our selling effort in respect of wheat and wheat flour far closer to those of our three major competitors?

Mr. Lang: Mr. Speaker, I have in fact referred to that matter in the statement I made on motions today. I trust the hon. member will eventually appreciate that the exports for the rest of this year indicate a very good record indeed.

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, when the minister came up with this program of bonusing people for not producing, was any thought given to soil conservation or soil erosion and the fact that his program may turn western Canada into a dust bowl such as we have seen in the past?

Mr. Lang: Yes, Mr. Speaker, we gave very careful consideration to this issue. The inclusion of two million acres of forage of course was related to the probable maximum amount of seed available, but in the actual development of the program we are making clear to farmers that the definition of summerfallow will include the planting of a cover crop to avoid erosion and soil problems to which the hon. member referred.

Mr. Woolliams: Mr. Speaker, I wonder whether the minister gave any thought to the fact that grass seed now costs more than 70 cents a pound and that his program will not fit into the economics of the agricultural industry so that it will be able to buy the seed?

Mr. Lang: Mr. Speaker, we did have a hard look at the amount of grass seed available. Of course that is a limiting factor in the conversion of acreage from wheat production into forage. It is for that reason, as I indicated, we have placed the two million acre figure as a limit on the amount on which payment would be made for conversion to forage this year.

Mr. J. H. Horner (Crowfoot): Mr. Speaker, I have a supplementary question for the Minister without Portfolio in charge of the Wheat Board. In making his announcement today of aid to western farmers he included a proposed quota system for the next crop year. In the past there has been a great deal of stress placed on equalizing the system across the whole wheat producing area. Could he outline to the House how the program of assistance works in conjunction with the quota system he has announced, because the two will be working at cross-purposes?

Mr. Lang: In fact, Mr. Speaker, the two are designed to work very much in a complementary fashion. The extended quota will in fact be obtained by farmers who maintain land in a fallow condition or who put it into forage and who will be unable to sell wheat from those acres. We anticipate there may be a total of approximately 53 million acres eligible for the wheat quota under this system and in those circumstances the quota on those acres next year would be 8 bushels per acre.

Mr. Horner: Mr. Speaker—

Inquiries of the Ministry

Mr. Speaker: Order, please. I will allow the hon. member for Crowfoot's supplementary, but I suggest that in a moment or two we might go on to the next subject and if there is time return to this very important matter later during the question period. However, I will allow the hon. member a supplementary.

Mr. Horner: Thank you, Mr. Speaker. I understand your concern, but this is a very important matter to western Canada. The minister has suggested the two are complementary to each other. Surely he will agree that those people who will receive the low quota next fall and next year will also be in a position to receive the low assistance in respect of summerfallow and forage because of the very area in which they live?

Mr. Lang: The program, by its nature tailored to meet the need of the grains industry and particularly the surplus position in the grains industry, does affect differently people who are in a surplus grain position from people who are not truly in the grains industry but who are in mixed farming. There is no doubt, therefore, about the unevenness of the impact of the program in that regard, but I think it is fully justified consistent with the objective of the program.

[*Translation*]

FINANCE

BANK PROFITS AND INFLATION

Mr. Léonel Beaudoin (Richmond): I have a question for the Prime Minister. In view of the spiraling increase in the profits of chartered banks during the quarter ending January 31, 1970, as compared to the corresponding quarter last year—the Bank of Montreal, for instance, showing profits increased by 40 per cent during the last quarter—does the government consider requesting the banks to take drastic action against inflation?

[*English*]

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, the three months' figures produced for the banks I think were simply that, three months' figures. As I understand the forecasts they are that their profits over all for the year will not increase proportionately to their increase in volume of business. I should also like to point out that the banks have indicated to the Prices and Incomes Commission that they would not widen the margin between their borrowing and lending rates.

[Mr. Horner.]

[*Translation*]

Mr. Beaudoin: May I put a supplementary question to the Minister of Finance? His reply to me was that the interest rates should be equalized. Does this mean he intends to request the banks to actually lower their interest rates?

[*English*]

Mr. Benson: Mr. Speaker, I did not say that the interest rates would be equalized but that the agreement with the Prices and Incomes Commission was that the margin of profit would not be widened with respect to the borrowing and lending rates. Also, as I recall it the charges by the banks would not be increased.

[*Translation*]

Mr. André Fortin (Lotbinière): Mr. Speaker, I have a supplementary question.

Since the chartered banks undertook during meetings of the Prices and Incomes Commission to restrain credit and not the interest rates or their profits, I should like to ask the Minister of Finance if he could submit to the Prices and Incomes Commission a proposal to limit the banks' profits to the advantage of the Canadian people?

[*English*]

Mr. Benson: Mr. Speaker, I think my hon. friend needs to read the agreement that was arrived at and announced by the Prices and Incomes Commission.

POLLUTION

SCIENTIFIC RESEARCH ON PHOSPHATE DETERGENTS

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, I have a question for the Prime Minister. In view of the importance of thoroughly researching this urgent question at the highest scientific levels before far-reaching decisions are made affecting the waterways of this country, has the matter of phosphate detergents been referred to the Science Council of Canada and, if so, when may we expect to know the recommendations of the Prime Minister's science adviser on this matter?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, I think I have made known the policy of the government in respect of phosphates. Of course we received advice from all the regular channels that are available on science matters to

the government. Also, my officials went outside government areas to make very sure the advice we received was complete in this regard.

Mrs. MacInnis: Mr. Speaker, on a question of privilege, as a Member of Parliament and the representative of the people of Vancouver-Kingsway I believe I have the right to ask the government to end the conspiracy of silence which is now surrounding the pollution of our waterways by phosphate detergents. Powerful economic interests are trying to delay or prevent action to ban phosphate detergents.

Mr. Speaker: Order, please. I doubt whether this is a question of privilege. It seems to me that the hon. member is engaging in debate. Perhaps the hon. member might ask a supplementary question.

Mrs. MacInnis: Mr. Speaker, may I say with great respect that I do not do this often. I think this is the first time I have raised a question of privilege, and I really would like Your Honour to hear me further because it is very important. The fact is that powerful interests are trying to delay and prevent action to ban phosphate detergents, using the argument that no proper substitute is available. Previously, I asked whether this matter had been referred to the National Research Council, and now I ask whether it is being referred to the Science Council of Canada, even though I know that the chairman of the Science Council is also the vice chairman of the company that makes the phosphates and thus has a monopoly over detergent manufacture in Canada.

I would like an answer to my question from the Prime Minister himself. Last time he put it off on the Minister of Energy, Mines and Resources, and this time he did not even have to do that. I would like to have an answer from him.

Mr. Greene: Mr. Speaker, in reply to the brief supplementary question of the hon. member I might point out to her, that, to the best of my knowledge, Canada is the first country in the world to announce that we are going to ban phosphates. I think that is pretty good action.

Some hon. Members: Hear, hear.

Mr. Greene: I might point out that even in a socialist haven such as Sweden they have not banned phosphates.

Mr. Louis-Roland Comeau (South Western Nova): I have a supplementary question for the Minister of Energy, Mines and Resources. Can the minister tell us once and for all which government, federal or provincial, will introduce legislation or whatever action is necessary to ban phosphates?

Mr. Speaker: Order, please.

Mr. David Anderson (Esquimalt-Saanich): Mr. Speaker, perhaps because of the length of the question asked by the hon. member for Vancouver-Kingsway, the real point was lost. Has Dr. Solandt, who is an official of the Canadian government, been asked for his opinion on the question of phosphate detergents and phosphate pollution, since it is precisely this official of the Canadian government who is also vice-president of the Electric Reduction Company, the sole producer of phosphate?

Mr. Fairweather: Don't embarrass them.

Right Hon. P. E. Trudeau (Prime Minister): The Science Council would normally come under my jurisdiction, and I have no knowledge of such a request having been made to them. I take it that the minister himself does not seem to know of any such request having been made. I am a little bewildered as to what the opposition really want. If we ask the Science Council, they would say that the president is prejudiced; if we do not ask the Science Council for advice they would say we should.

Mr. Comeau: I rise on a point of order, Mr. Speaker. May I ask why my question was not allowed? There is confusion as to which government, federal or provincial, is to take action on this matter. I should like the minister to clarify the situation.

Mr. Greene: I announced in queer, unequivocal—

Some hon. Members: Oh, oh.

An hon. Member: It's catching.

Mr. Greene: For the benefit of hon. members, I should announce it in simple terms that we are going to ban phosphates.

Mr. Speaker: I think we should go on to another subject.

Inquiries of the Ministry

NATIONAL DEFENCE

PURPOSE OF OPERATION "VIKING" IN ARCTIC

Mr. W. B. Nesbitt (Oxford): I have a question for the Minister of National Defence but I see he has been temporarily called out of the House so I will direct it to the Prime Minister. Can he say whether operation Viking to start in April, is related in any way to the permanent establishment of Canadian troops on the islands of the Canadian Arctic?

Right Hon. P. E. Trudeau (Prime Minister): I will have to ask the member to repeat the question to the minister when he comes back. I am not aware of this.

USE OF ARCTIC WATERS BY RUSSIAN SUBMARINES

Mr. W. B. Nesbitt (Oxford): I have a supplementary question for the Prime Minister. Can he tell us whether or not permission has been given to the Soviet Union for submarines to proceed through the waters of the Canadian Arctic? Perhaps he can tell us that.

Right Hon. P. E. Trudeau (Prime Minister): I do not know that the Soviet Union has asked for such permission.

Mr. Nesbitt: I have a final supplementary question, Mr. Speaker. Is there any evidence that the Russians have landed any equipment on our Arctic islands? Now, surely—

Mr. Trudeau: Surely. I know of no such evidence. Obviously if the hon. member has some important communication to that effect, he should at once get in touch with the Minister of National Defence or the Solicitor General.

Mr. Baldwin: Where is he?

Mr. Hees: He is supposed to be here. That is what we are trying to do.

PROTECTION OF LASER INVENTION BY VALCARTIER DEFENCE RESEARCH ESTABLISHMENT

Mr. Paul St. Pierre (Coast Chilcotin): My question is also directed to the Minister of National Defence, but since he is not here perhaps I should direct it to his Parliamentary Secretary. It arises out of recent developments at the Defence Research Board establishment at Valcartier, where one of our scientists has apparently made a major discovery relating to the industrial use of laser beams. Since licencing of firms for production seems to be imminent, can the minister tell the House what steps are being taken to ensure that this invention will be retained for development in Canada by Canadians?

Mr. David Groos (Parliamentary Secretary to Minister of National Defence): I can inform the hon. member that the Canadian government has taken out what we think are all the necessary patents to protect this invention. We have informed the Department of Industry, Trade and Commerce what the invention is all about. We have briefed the industry, particularly the electronics industry, and we are now awaiting proposals.

LABOUR CONDITIONS

METRO TORONTO—EFFECT OF GOVERNMENT POLICIES ON EMPLOYMENT

Mr. Robert Muir (Cape Breton-The Sydneys): In the absence of the Minister of Labour and the Minister of Manpower and Immigration, may I direct my question to the right hon. Prime Minister. In view of the fact that there has been a 33 per cent increase in unemployment in metro Toronto in the last month, is it the intention of the Prime Minister and of his government to deliberately continue policies that create unemployment?

Mr. Speaker: The hon. member for York South.

Mr. Muir (Cape Breton-The Sydneys): Mr. Speaker, I realize that my question is on a subject which might seem mundane to the Prime Minister. May I therefore rephrase it and ask if we could arrange, if possible, to send him over a baby's rattle to add to his collection of toys.

ST. JOHN'S, NFLD.—CLOSING OF CNR NO. 1 TRANSIT SHED

Mr. David Lewis (York South): Mr. Speaker, in this dramatic question period I have a mild question to ask the Minister of Transport arising out of the closing of the CNR No. 1 transit shed in St. John's, Newfoundland. I want to ask the minister whether he received a wire on this subject sent to him on February 16 by the president of the Longshoremens Protective Union, whether he has replied to it, and if he has not replied to it, why?

Hon. Donald C. Jamieson (Minister of Transport): I am not sure of the dates or whether the hon. member is referring to the

second wire. I suspect that he is. I did reply to the first one and held a meeting with the group in question.

Mr. Lewis: What was the result of the meeting?

Mr. Jamieson: The reason for the failure to reply—and I know a reply is now being prepared, but whether or not it has been sent I am not certain—was that an attempt was made to try to get something in the way of specific information regarding what the intentions of CNR were. I regret to say that at present there does not appear to be additional freight that could be channelled through that particular route.

Mr. Lewis: Has the minister discussed with CNR the possibility of grouping together freight destined for St. John's on to one ship which could be unloaded at that transit shed?

Mr. Jamieson: Yes, a number of alternatives have been discussed. The simple truth is that at present the total volume of freight going to the province is not adequate to keep the facilities going at the various ports of entry, and any such diversion as was proposed would simply result in transferring unemployment from one port to another. In other words, the main objective has to be to try to get additional freight, and this is what is now being attempted.

[*Translation*]

FINANCE

QUEBEC—REQUEST FOR REFUND OF $200 MILLION COLLECTED FOR MEDICARE

Mr. André Fortin (Lotbinière): Mr. Speaker, I have a question for the Prime Minister.

Could he inform the House whether he or his government has received an ultimatum from the Quebec government with regard to the refund of the $200 million collected for Medicare?

Mr. Speaker: I seem to recall that the question has already been asked. However, the Prime Minister may answer the hon. member.

Mr. Fortin: Mr. Speaker, I have listened with interest to your remarks and, when reading recent issues of *Hansard*, I saw that this question had not been asked, that we are in fact dealing with an ultimatum from the government of Quebec.

This is why I should like to know whether the federal government has received from the Quebec government a certain ultimatum concerning those $200 million.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, a request, not an ultimatum, was made about this at the last federal-provincial conference. If the hon. member refers to a particular form of ultimatum, I must answer no. There was none in my opinion because, when the request was made to the federal government, we replied that the health insurance scheme had been established by the federal government, after consultations with the government of Quebec. It is unfortunate for the province of Quebec that the present government has taken so much time to implement this program, but we are glad that the people of Quebec, thanks to funds from the federal government, will benefit from this health insurance plan beginning July 1.

Mr. Fortin: Mr. Speaker, I have a supplementary question for the Prime Minister, whom I wish to thank for his most interesting and detailed answer.

Is there at the present time a group of experts from the federal government who are investigating this matter in co-operation with provincial officials?

Mr. Trudeau: The answer to this particular question is no, Mr. Speaker. But, the hon. member is perhaps referring to certain dealings between federal and provincial officials with regard to the transfer of $12 million to the province of Quebec in aid of technical schools. The Quebec authorities refuse these funds because they do not want to tell the people of the province that this money was provided by the federal government. So, if the province of Quebec refuses to accept these $12 million, it is its own problem.

[*English*]

TAXATION

WHITE PAPER ON REFORM—REACTION OF GOVERNMENT TO CRITICISMS

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, my question is directed to the Minister of Finance. It has to do with the report in the morning press to the effect that the Liberal members of the House have raised strong objections to various sections of the white paper and that there is hope of repentance on the part of the minister. Would he say whether or not he is in a position to

quieten down the tremendously aroused feeling in this country regarding many of the provisions of the white paper, and whether repentance is about to take place or a second retreat from Moscow?

Mr. Speaker: Order, please. The hon. member for Laval.

Hon. E. J. Benson (Minister of Finance): My right hon. friend knows all about retreats.

[*Translation*]

Mr. Marcel Roy (Laval): Mr. Speaker, I should like to direct a question to the minister responsible for the Canadian Wheat Board.

Does the minister intend—

Mr. Speaker: Order. I regret to have to interrupt the hon. member—

[*English*]

Mr. Diefenbaker: Mr. Speaker, I rise on a point of order. The minister is one of those who always answers and I am sure the country would like to hear him answer.

Mr. Speaker: Order.

[*Translation*]

AGRICULTURE

FEED GRAIN—REDUCTION OF TRANSPORT SUBSIDY

Mr. Roy (Laval): Mr. Speaker, I should like to direct a question to the minister responsible for the Canadian Wheat Board.

Does he intend to reduce the per unit subsidy for the transportation of feed grain and, if so, does he intend to set up a free market between the Canadian provinces?

[*English*]

Hon. Otto E. Lang (Minister without Portfolio): Mr. Speaker, the question of the feed grain freight assistance is under the jurisdiction of my colleague, the Minister of Agriculture. The question of free marketing between different sections of the country does fall, of course, within the responsibility of the Canadian Wheat Board. The Wheat Board is concerned about the problems involved in the existing pricing situation and is giving consideration to that matter at all times.

AIR TRANSPORT

PROTECTION OF AIRCRAFT FROM SABOTAGE—RESPONSE TO SUGGESTED CONFERENCE

Mr. R. Gordon L. Fairweather (Fundy-Royal): Mr. Speaker, I wish to direct a question to the right hon. Prime Minister. How has Canada responded to the initiative of the government of Sweden and the request of the Air Line Pilots Association for an international conference on protection of aircraft from acts of sabotage?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, we have responded favourably to all such proposals and we have indicated that when these meetings are called under any auspices we would be prepared to participate.

INDUSTRY

REALLOCATION OF FAIREY AVIATION CONTRACTS

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I wish to direct a question to the Minister of Supply and Services. In view of the impending shutdown of Fairey Aviation at Halifax, can the minister say whether the contracts for the government on which Fairey Aviation is working have been allocated to some other firm? I refer to the Argus aircraft and one or two other contracts.

Hon. James Richardson (Minister of Supply and Services): Mr. Speaker, as is widely know Fairey Aviation have announced their intention to close their operations on March 31. I understand negotiations have taken place for the purchase of their plants by other companies, and particularly by one other company. If those negotiations are completed and their plants are sold, then of course there will be a prospect that government contracts could be negotiated with the new owners.

CANADIAN NATIONAL RAILWAYS

MASTER AGENCY PLAN—ACTION TO RELIEVE UNEMPLOYMENT

Mr. R. R. Southam (Qu'Appelle-Moose Mountain): Mr. Speaker, I have a question I would like to direct to the Minister of Transport. It relates to a question I directed to him two weeks ago and to which he said he would give consideration. Can the minister say whether he has consulted with his colleague, the Minister of Labour, as to what action may be taken to relieve the serious unemployment that will come about by the implementation of the CNR master agency plan that is slated to come into effect on April 1 of this year?

Hon. Donald C. Jamieson (Minister of Transport): Well, Mr. Speaker, I have discussed this with the Minister of Labour and

also with the railways. These talks are continuing to see what can be done to alleviate the situation.

ATLANTIC REGION—CUTBACK IN MAINTENANCE OF WAY EMPLOYEES

Mr. Robert Muir (Cape Breton-The Sydneys): As a supplementary question, Mr. Speaker, is the minister in a position to advise the House as to the representations he has been making with regard to the large scale cutbacks of CNR employees in the Atlantic region?

Hon. Donald C. Jamieson (Minister of Transport): I understand, Mr. Speaker, that as a result of representations made by the hon. member, and through me to the CNR, meetings have been held by CNR officials with representatives of the employees in the Atlantic region. I do not know what the outcome in specific terms was, other than a report that the meetings were regarded by all present as satisfactory.

Mr. Muir (Cape Breton-The Sydneys): I thank the minister for his answer and he has quite correctly said they were excellent meetings, but would he also direct his attention to the latest development, namely, a report that 50 maintenance of way men are to be laid off in the eastern region between new Glasgow and Sydney? Will the minister report back to the House on that situation?

Mr. Jamieson: Yes, Mr. Speaker, I will report.

NEWFOUNDLAND—REPORT ON INQUIRY INTO OPERATIONS

Mr. John Lundrigan (Gander-Twillingate): A further supplementary question, Mr. Speaker. I am wondering when a report will be received on the request for an inquiry into CN operations in Newfoundland, a report which was asked for two months ago and promised on request in the House three weeks ago?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I have held meetings with the vice-president of the Atlantic region of CNR, and it is purely and simply a matter of trying to find the proper forum through which the details of the CNR's plans could be made known. The Standing Committee on Transport and Communications conceivably might be the appropriate body. I suggest that when the estimates are before that committee, perhaps the committee might wish to summon the vice-president, and I am sure he would wish to attend, and there give the details.

Mr. Lundrigan: As a further supplementary—

Mr. Speaker: Order, please. There are only two minutes left in the question period, and there are 25 members who wish to ask questions.

Mr. Lundrigan: On a question of privilege, two weeks ago in the House of Commons a question was raised about an inquiry into CN operations in Newfoundland. The minister at that time gave the assurance that at the beginning of the next week, which was about three days after the question was raised, he would give a report on this inquiry into CN operations in Newfoundland to hon. members, or at least to the hon. member requesting this report. He has not done so and that is why I am asking the question, because there is a tremendous anxiety in the province about this matter.

THE CANADIAN ECONOMY

INFLATION—REPRESENTATIONS RESPECTING USE OF CREDIT CARDS

Mr. R. L. Whiting (Halton): Mr. Speaker, I wish to direct a question to the Minister of Finance. Has the government made representations to the credit card companies, and those companies and financial institutions who use this method to promote business, requesting them to regulate the availability and to limit the use of these cards in an effort to curb inflation?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, I have not made any such direct representations. I will inquire of the Minister of Consumer and Corporate Affairs and of the Prices and Incomes Commission to see if any such representations have been made.

INQUIRY OF THE MINISTRY

Mr. J. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I should like to direct a question to the Minister of Industry, Trade and Commerce. In view of the government's imaginative decision to pay our farmers not to grow wheat, is the minister thinking of applying this principle to other sectors of the economy? For example, will he consider paying unemployed auto workers in Oshawa and Windsor not to produce cars?

Inquiries of the Ministry

[*Translation*]

FINANCE

QUEBEC—REQUEST FOR REFUND OF $200 MILLION COLLECTED FOR MEDICARE

Mr. Georges Valade (Sainte-Marie): Mr. Speaker, I have a question for the Prime Minister.

Does he intend to suggest to the province of Quebec an alternative other than the one mentioned to enable Quebec to recover the $200 million paid for Medicare?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, as several ministers and myself have indicated, Quebec has recovered, in various forms, including equalization payments, substantially more than $200 million, and that out of the income taxes levied in other provinces. Accordingly, the federal government is constantly making payments to the provincial government under one item or another, and the total amount thus paid is well over $200 million.

Mr. René Matte (Champlain): Mr. Speaker, I should like to ask a supplementary question.

Does the Prime Minister believe that the independence of Quebec is worth $200 million?

[*English*]

TAXATION

WHITE PAPER ON REFORM—PARTICIPATION OF MINISTER'S ASSISTANT IN PUBLIC MEETING

Mr. Thomas M. Bell (Saint John-Lancaster): Mr. Speaker, I have a question for the Minister of Finance. Did the minister's special assistant, Mr. Peter Farwell, appear in public at a meeting in Arnprior last night and try to answer questions on the white paper?

Mr. Speaker: Order, please. I would not think that question is in order. If there is any urgency it can be discussed at the time of adjournment or placed on the Order Paper. The question as asked does not indicate there is any urgency in the matter.

Mr. Bell: Then may I rephrase my question, Mr. Speaker. In view of the traditional practice around here that executive and special assistants do not appear in public at any time, may I ask the minister if he is so desperate and hard up he has to get these fellows to defend the white paper?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, there are a vast number of people in Canada who wish to discuss the white paper proposals logically and who wish to be informed rather than—

An hon. Member: They sure do.

Mr. Benson: —get the kind of propaganda they are getting from some agencies in the country. I see nothing wrong with members of my staff being willing to explain, not defend but to explain, the contents of the white paper just as I have been doing across the country trying to achieve—

An hon. Member: Trying, trying, that's right—non-partisan.

Mr. Horner: Resign.

Mr. Speaker: Order, please. As the question period expired some minutes ago I regret that I have, under the rules, to call orders of the day. The hon. member for St. John's East on a point of order.

Mr. McGrath: I rise on a point of order, Mr. Speaker. I tried without success to get your attention today because I had a question to direct to the Minister of Transport. Perhaps, Mr. Speaker, I might avail myself of this opportunity to thank the hon. member for York South who directed the question to the minister and whose interest in national affairs seems to know no bounds. Mr. Speaker, perhaps you will permit me, with the consent of the House, to direct another question to the Minister of Transport.

Mr. Speaker: Order, please. I have no objection whatsoever if there is unanimous consent. The hon. member will recognize that, unfortunately, he was not the only one who was deprived of an opportunity to ask a question. However, after the question period is over, if hon. members who have not had an opportunity to ask their questions seek to do so on a point of order, we might as well go back to the rule book and change it substantially. I have stretched a point by allowing a number of minutes beyond the time allotted under the Standing Orders and I am not sure I have the right to do even that. This having been said, if there is unanimous consent the hon. member could ask the question.

Some hon. Members: Agreed.

Mr. Speaker: Apparently there is agreement, so the hon. member may ask the question.

Mr. McGrath: Perhaps this would not be necessary if certain members observed cer-

tain fundamental rules of ethics in this House. The question I should like to direct to the Minister of Transport is, has he received a report—

Mr. Speaker: Order, please. I understand the hon. member for York South is rising on a point of order.

Mr. Lewis: On a question of privilege, Mr. Speaker, I hope the hon. member was not suggesting that another hon. member has no right to ask a question that may not concern something in his constituency when the hon. member was specifically asked to do so by the longshoremen in St. John's, some of whom I had the pleasure to meet on my recent trip. I think the hon. member is really out of order in suggesting something about ethics.

Mr. McIlraith: He was referring to the hon. member for Gander-Twillingate.

Mr. McGrath: I rise on a question of privilege, Mr. Speaker. I have raised this question in the House on a number of occasions. What I was referring to was the apparent lack of ethics on the part of the hon. member for York South.

Mr. Speaker: Order. The hon. member can certainly not suggest that one of his colleagues in the House of Commons has acted in an unethical way in asking a question, even if the question does not relate to a matter in his constituency. I think it would be much easier if the hon. member, having been granted the unanimous agreement of the members of the House including the member for York South, proceeded to ask the question or even a supplementary at this time.

Mr. McGrath: I did not quite finish my question of privilege, Mr. Speaker. The hon. member for York South said something which has no foundation in fact and which is not true. He said I had failed to respond to requests from longshoremen in St. John's to bring this matter before the House of Commons. This statement is untrue and I suggest to you, Mr. Speaker, that the hon. member should withdraw it.

An hon. Member: Oh, sit down.

Mr. Lewis: Mr. Speaker, I am sorry to take the time of the House, but I said nothing of the sort. I did not refer to the hon. member at all. I simply said that I asked the question at the specific request of the longshoremen I happened to meet in St. John's. As a matter of fact, I know the hon. member has written to the minister as I have seen the exchange of correspondence—

Mr. McGrath: That is not what you said.

Mr. Lewis: —and I have no hesitation in congratulating him for doing it. I never said anything of the sort.

Mr. Speaker: Order, please. Perhaps we may go on to orders of the day.

• (12:30 p.m.)

[*Translation*]

GOVERNMENT ORDERS

QUARANTINE ACT

MEASURE TO PREVENT INTRODUCTION INTO CANADA OF INFECTIOUS OR CONTAGIOUS DISEASES

Hon. G. J. McIlraith (for the Minister of National Health and Welfare) moved that Bill S-12, an Act to prevent the introduction into Canada of infectious or contagious diseases, as reported (with amendment) from the Standing Committee on Health, Welfare and Social Affairs, be concurred in.

Motion agreed to.

[*English*]

Mr. McIlraith (for Mr. Munro) moved that the bill be read the third time and do pass.

Motion agreed to and bill read the third time and passed.

PAROLE ACT

AMENDMENTS RESPECTING CONSECUTIVE AND CONCURRENT SENTENCES, EFFECT OF FORFEITURE

Hon. G. J. McIlraith (Solicitor General) moved that Bill S-19, to amend the Parole Act, be read the second time and referred to the Standing Committee on Justice and Legal Affairs.

He said: Mr. Speaker, this somewhat brief bill is brought forward in order to rephrase two sections of the Parole Act to give them the meaning that they were thought to have when they were enacted by the Parliament of Canada and which they were thought to have by the administration having the responsibility for the act.

The first section sought to be amended in the bill is section 11A which was enacted last year in the Criminal Law Amendment Act providing that multiple sentences be treated

as a single sentence. The significance of that clause was to make clear the basis for computing remission. The object of section 11A, when it was enacted, was to provide that multiple sentences of imprisonment be treated as a single combined sentence in calculating the term of imprisonment for the purposes of the Penitentiary Act, the Prisons and Reformatories Act and the Parole Act. In *habeas corpus* proceedings in the courts last fall the section was interpreted in a way quite different from what it was thought to mean up to that point. The effect of the judgment, if I may summarize briefly, is that irrespective of the date that terms of imprisonment are imposed on an inmate who is in confinement serving a sentence, the date of the commencement of subsequent terms of imprisonment is the date on which he was originally confined.

Mr. Woolliams: Is the minister referring to the sentencing or the confinement?

Mr. McIlraith: To when he was sentenced.

Mr. Woolliams: That is better.

Mr. McIlraith: This leads to absurdities and does not carry out the intention of Parliament or the court doing the sentencing. It was to remove the consequence of that decision that the clause was introduced here. I could give examples of the absurdities, but perhaps it would be better if I did that at the committee stage when the bill goes to the standing committee. It will be seen at once that the results flowing from that decision could be quite ridiculous and quite absurd.

The other clause of the bill seeks to amend Section 17 of the act. Section 17 of the Parole Act was amended by the Criminal Law Amendment Act of last year. The purpose of the amendment was to make clear in the statute that the term of imprisonment that a parole inmate must serve, whose parole has been forfeited by virtue of being convicted of an indictable offence, is a single term of imprisonment commencing on the date when the sentence for the indictable offence was imposed. It was also desirable to make it clear that the period of time for which the inmate was committed as the result of the forfeiture of parole included all the remission that had been granted to him. This amendment did not involve any change in policy but resolved any doubt that existed in respect of the practice that had been followed.

Section 13 of the Parole Act also has a retroactive aspect. The retroactive aspect of the amended section 13, when read together with section 17 of the act, results in inmates not being credited with time spent in confinement in certain cases. This may occur when the forfeiture of parole follows a period during which the inmate has been confined under the Parole Act as a result of the suspension or revocation of his parole. It has also resulted, in rare cases, in inmates being credited with time towards the completion of their sentence during a period in which they were at large. These results were not intended and it is to correct these irregularities affecting a certain limited number of inmates that the amendment is sought for the purpose of clarifying the difficulties in that respect.

I think there is nothing more than I can usefully say at this stage in the debate because the amending bill does not raise any new matter of policy or principle. It merely seeks to clarify what was thought to be the law in the statute.

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I want to thank the minister for outlining the necessary amendments. I feel sure that he will not mind my saying that he will no doubt be in conversation with the members of the Parole Board on this matter.

Mr. McIlraith: Yes, that is right.

Mr. Woolliams: I am confident that the National Parole Board will do an excellent job in this field. Its chairman is Mr. T. G. Street, Q.C., and the members are Messrs. A. Therrien, C. Bouchard, W. R. Outerbridge, C. R. McWilliam, B. K. Stevenson, G. A. Tremblay, M. Maccagno and Miss M. L. Lynch. Anyone who has worked in this field knows what a tremendous job the National Parole Board has done.

The minister has outlined the amendments to be introduced to the parole system in Canada. Although the bill does not deal with the provincial parole system, it relates to matters affecting the federal jurisdiction. May I again say that we on this side of the House, and I am sure all hon. members here, have absolute confidence in the Parole Board and applaud it for the excellent job it is doing. Of particular difficulty are cases which relate to the use of drugs. That brings me to my next point, Mr. Speaker, and I intend to be brief today. I hope the bill is read the second time today.

Mr. Gilbert: Then, the hon. member had better sit down.

Mr. Woolliams: I will ignore what the hon. member has said. To revert to my former trend of thought, Mr. Speaker, I strongly

recommend that all young men and women under 21 years of age who have been convicted in Canada of non-medical drug charges should be immediately placed—and of course this is at the discretion of the Parole Board—on daily parole so that they can attend the high schools, vocational training schools, or universities and be directly under supervision. There are supervisory facilities in our society. The aim of such supervision should be to make certain that these young people are rehabilitated.

May I refer briefly to the case of a young man from Prince Albert, I believe, who was convicted in Calgary of a certain offence. Actually, it involved drugs. I raised the matter, as the minister knows, in the House some weeks ago. It involves several young people who were sentenced to varying terms of between two and five years after being convicted under the Food and Drugs Act and the Narcotic Control Act, I believe. On appeal, the Court of Appeal reduced these sentences to two years less a day and set out terms and conditions which trial judges ought to follow. Unfortunately, the young man I am talking about exercised his right under the Criminal Code and elected trial before the magistrate, pleaded guilty before the magistrate and was sentenced to three years in prison. The problem is, as the Parole Board and the minister well know, that young people who have been sentenced are placed in our penitentiaries and remain there until they have signed a waiver of appeal.

These young people remain in penitentiaries, whereas they ought to go to some rehabilitation centre like the institution at Drumheller, in the riding of Palliser, where they could obtain schooling and be rehabilitated. Certainly, their conditions of incarceration there would be much better. Frankly, in this day and age, the number of times the earth orbits the moon should not determine the length of a sentence of young people who have been convicted of drug offences. I ask the minister to bring to the attention of the Parole Board, which has power in this field, the plight of those young people who must spend months in a penitentiary if a waiver of appeal is not signed. How can one rehabilitate our young people in surroundings like those?

The case of the young man from Prince Albert who was sentenced in Calgary involves an injustice, because the Court of Appeal reduced the sentences of those who had been tried in a higher court but he, having pleaded guilty, was not so fortunate. I have a letter from his mother which reads:

• (12:40 p.m.)

Sir:

I wish to thank you for your reply and hope this is sufficient as it is from memory because it costs money for detailed statements of me and my trial.

I pause there for a moment. Here is a boy who has no means. Economic disparity leads to judicial disparity or justice with disparity. We are talking bout this commission that is being set up for reform of the Criminal Code. One of the great problems is implementation of the law. We do not seem to have come to grips with it in my lifetime. The letter continues:

I was sentenced October 24, 1969 on three charges of selling marijuana (weed) which totalled to the sum of 15 dime bags or less than $100. Having had no previous jail terms and don't have any record to speak of, I had quit dealing and had arranged to go back to school. I feel I wasn't a great threat to people and feel that the R.C.M.P. should have the same feelings.

He was hoping they would feel for him, at least.

The fact that I gave myself up and while doing so had to almost persuade the police in Kingston that I was wanted. My trial was ridiculous and lasted about three minutes.

He got a year for every minute of justice that was poured out in the magistrate's court in the city of Calgary.

They speak of me being immoral, while after that trial they should have a good look at their court and the people handing out punishment.

I am not going to get into any contentious position by criticizing the magistrate's court or the high court. I am merely reading from a letter of a desperate young man. This is merely an example of young people who are incarcerated in our penitentiaries. We are doing nothing about it.

Mr. McIlraith: We are doing a great deal about it.

Mr. Woolliams: We are doing very little about this. I know the minister's attitude, and I ask him to bear with me. I hope the minister will be so sympathetic that he will do something for this young man. I hope he will appoint a counsel to ask the court of appeal in Alberta for leave to appeal because the time has expired. This young man has suffered an injustice. Other people were sentenced to less than two years, and he was sentenced to three.

Mr. Bigg: That's because he has no money.

Mr. Woolliams: My good friend knows the situation. He was a member of the RCMP for a number of years. This young man was not only broke financially but broke before justice. The minister will say that we have legal aid programs. I do not want to be critical of my own profession, but we know the top legal mouthpieces do not get appointed on these cases. The letter continues:

If you wish you could probably see my transcript at the court. I have no money to buy them.

This is another matter. When a young man wants to appeal, he has to obtain a transcript. Here is an anomaly: under the Criminal Code of Canada a certain amount of money is set out for the cost of transcript, but the court reporters charge a different rate. The appellant requires the transcript to go to the court of appeal. I have seen this in various courts. I appeared in the courts of appeal in Saskatchewan and Alberta. The chief justices in those courts are absolutely right when they say that, without a transcript, they cannot make a decision on the facts. It is not the chief justice, or the judges, who sit with him, who make the decision as to how they receive that transcript. If a man is broke he must apply to either the Solicitor General (Mr. McIlraith) the Minister of Justice (Mr. Turner) or the provincial Attorney General. The letter continues:

There is a load going to Drumheller this week.

He means a group is going to be transferred. That is his language.

The second of which I have missed and feel that they have no great reason for not sending me other than the fact that they told me I was pending an appeal in regard to a letter to the Minister of Justice.

This young person wrote a letter to the Minister of Justice (Mr. Turner). I received only one letter from him. It took quite a while to clear the red tape to get that letter. He either wrote the Minister of Justice, the Attorney General or the Solicitor General.

Mr. McIlraith: He didn't write me.

Mr. Woolliams: While the decision is pending, this boy is waiting in the penitentiary. His friends are having their sentences cut or are out on rehabilitation programs. I congratulate the Parole Board of Canada for setting up these programs. They have done a wonderful job in that regard. They are often criticized—I don't know whether by a quiet minority or majority—for being too soft with these people, but I am convinced that no one who has served time in a penitentiary ever came out of that institution a better citizen. You might ask me what to do with him. I know what I would do. I would set up rehabilitation centres. If we can afford a new cultural program for the CBC to be initiated in 1972, surely we can afford to have that kind of justice for the greatest resource of all. Living is the basis of culture, a total man's experience. This is an experience. This is what culture is about.

I have reason to feel that they are just using this to keep me here as the people in Drumheller don't wish to have people there as I was told that this was just a letter and was irrelevant. Anyway I have written a follow up letter to him and asked for an answer one way or another about my appeal.

This boy is locked up in the penitentiary. There are no visitors and he has received no replies. He is entitled to one letter a month or once every two weeks. I am not sure of that regulation. I have not checked it. It used to be one letter a month. He is waiting.

If he answers me, then they will have to tell me the reason why when classified as medium security they are holding me in a maximum pen when there is really, I feel, nothing here I can do to help myself. I hope this is sufficient. Thank you.

This letter is signed by young Barr. His mother wrote me a letter, to which I replied on January 23, 1970 as follows:

I have written to your son asking him for details concerning his sentence and the charges laid against him.

As soon as I receive a reply I will have enquiries made to see if there is anything I can do to be of help.

The mother then contacted me by phone and I wrote to the boy as follows:

Your mother and father of 31 B. Normandy Crescent, Kingston, contacted me in reference to your conviction.

I would appreciate a detailed statement of the charges upon which you were convicted; statement of the facts, and whether there is any consideration to be given you in reference to the new system of parole whereby you would be permitted to work in the day time and return each night to custody.

It occurs to me that in Prince Albert this would not be possible but if you were moved to Drumheller then I think some negotiations in this regard would be more feasible.

When we talk about parole it sounds wonderful, but these things are happening. I do not know the percentages. We cannot bury our heads in the sand. Whether we like it or not, we are living in a day when in some educational institutions as high as 50 or 60 per cent of the students have used drugs. Think of the tremendous psychological trauma that occurs when a young boy is given three

years. He has been sitting in the same classroom with other students who have done the same thing and perhaps still are, yet he is incarcerated in the loneliness of a penitentiary.

I am a reformer. I started out to be one as a lawyer and I am still one. This boy is having his case presented in the highest court of the land today, Parliament. Every one of us feel this way. We do not agree on economic matters with the members of the New Democratic Party, but there is one thing for which I give them credit, particularly their leader. When he was Premier of Saskatchewan he had a sense of humanity. You could not help but have some affection for him, even though you differed in philosophy.

Some hon. Members: Hear, hear!

• (12:50 p.m.)

Mr. Woolliams: The determination of whether a man or a woman will be removed from a penitentiary to go to the new institution at Drumheller, planned and built by the former government, should not depend on whether an accused person has signed a waiver of appeal. Here again is a case of discrimination. The economic disparity means justice for one and injustice for another. I should like to see this bill go through. I think the amendment is necessary. It is recommended by the chairman and members of the Parole Board who are doing a tremendous job. Mr. Street has great vision. He is motivated to do the things we have been talking about here. If we in this institution give him the legislation, I have no doubt that these high public servants, with their ability to do their job, will function to bring about the kind of justice we would all of us like to see for our greatest resource of all—our youth.

Mr. John Gilbert (Broadview): Mr. Speaker, last night a somewhat unusual event took place in this chamber. The Solicitor General (Mr. McIlraith) received warm applause from all sides of the House. Usually a government spokesman receives warm applause only from the supporters of the government side. What took place last night indicates the affection and appreciation felt by hon. members for the efforts of the Solicitor General over the years in this Parliament. He has added greatly to the legislation. Some people say we might not have encountered the difficulties which prevailed with regard to rule 75C had the Solicitor General been dealing with this matter at the time. However, I shall not comment further on the point.

I should like the minister to add more diamonds to his crown. Before he retires I should like to see him bring forward legislation with regard to the annulment of criminal records. Yes, I know he has presented a bill which has been referred to committee, but the bill really does not go far enough. It is anaemic. I hope that by the time it comes out of the committee we shall have an effective measure.

I should like to see the minister bring forth legislation with regard to juvenile delinquency. When we note the wide disparity in jurisdiction across the country, I think we all agree it is time he did so. As a third effort, I should like to see the Solicitor General bring forth legislation to ensure a better and more effective parole system. Bill S-19 is really a housekeeping bill. The minister spoke only very briefly with regard to its contents and consequences. I would have liked the Solicitor General to bring forth a bill concerned entirely with the Parole Act. I thought he would have taken the initiative following the report of the Committee on Corrections which contained at least 50 pages on the inadequacy and shortcomings of the Parole Act and made specific recommendations which should be implemented so as to bring the legislation into line with modern requirements.

As the minister told us, the bill before us contains two main features. Concurrent and consecutive sentences are now to run from the dates on which the different sentences were imposed and not from the date upon which the first sentence was imposed. The second change makes clear which dates are to be taken into consideration when calculating the length of time a prisoner who has forfeited his parole must spend in prison, and the basis for calculating the amount of any remission to which he may be entitled. As the Solicitor General has stated, the first change follows a decision of the courts in which a judge ruled that time imposed for a subsequent offence committed by an accused should run from the date of the first conviction rather than from the date of the subsequent conviction. This change gives rise to certain problems. The provision relates to an offence which has been committed subsequent to a first conviction. The question which arises in my mind, and I hope the Solicitor General will think about it, is this: what happens with regard to an offence committed prior to the offence for which an accused has been sentenced?

The situation which arises very often in the courts, is this: a person is convicted of

one or two offences and is sentenced to a term in a penitentiary or in a reformatory. Then, before he gets to the reformatory or the penitentiary, other charges are preferred against him. He usually pleads guilty to the additional charges. A distinction must be made between offences in respect of which he has been charged, found guilty and sentenced, and offences committed prior to the offence on which he has been found guilty. The amendment before us relates only to offences for which an accused has been found guilty on charges which are laid subsequently. These are the main points, and I hope the minister will comment on them.

The second change concerns the length of time a person must serve when he has forfeited his parole. In 17(1) the amendment is set forth. It states:

> When parole is forfeited by conviction for an indictable offence, the parole inmate shall undergo a term of imprisonment commencing when the sentence for the indictable offence is imposed, equal to the aggregate of—

And this is what I am concerned about

> (a) the portion of the term to which he was sentenced that remained unexpired at the time his parole was granted, including any period of remission, including earned remission, then standing to his credit.

This indicates there are two types of remission. There is the statutory remission, which I understand amounts to one quarter of the sentence imposed, and then there is the earned remission which amounts to three days for every month of good behaviour. It is obvious from the amendment that the intention is to include in the term which a man must serve after the forfeiture of his parole not only the statutory remission but also the earned remission.

Mr. Deputy Speaker: Order; it being one o'clock I do now leave the chair until 2 p.m.

At one o'clock the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

Mr. Gilbert: Mr. Speaker, prior to the one o'clock adjournment I was directing my remarks to the second change that the Solicitor General has requested in Bill S-19, namely that concerning the calculation of time once a person has had his parole forfeited. The burden of my remarks was that the Solicitor General has now included in the calculation of this time the earned remission that the person was entitled to prior to release. I indicated that there are two types of remission: there is statutory remission, which is one quarter of the parolee's sentence; then there is earned remission, which is dependent upon good behaviour and amounts to three days per month.

According to the proposed new section, in calculating this time a person who has forfeited his parole will have the earned remission that is then standing to his credit added to the balance of his sentence, and it seemed to me that this was an unfair way of treating such person, even though he had forfeited his parole. It is much like a worker who works from Monday to Friday, and whose employer fires him on the Friday and tells him he is not entitled to wages from the Monday to the Friday.

That is analogous to what would happen here in the case of an inmate in a penitentiary who has earned remission for good behaviour. Because he has forfeited his parole and has been returned to prison, we are going to be vindictive and add to the balance of his term the remission days he earned while in prison. I understand his not being entitled to any earned remission while out on parole; but if the purpose of our parole system is to rehabilitate the prisoner, then under this change it seems to me he is being treated rather harshly, indeed to the point of our becoming vindictive.

Having set forth that objection to the second part of the bill, I should like to develop some ideas that touch on this problem of parole. At least 50 pages of the Ouimet commission report were devoted to the subject of parole. I should have liked the Solicitor General to introduce amendments to the Parole Act, amendments that are lacking in the present bill, to put Canada in the foreground in the treatment of parolees and in meeting the problems of parole.

At page 329 of the Ouimet commission report parole is defined in these words:

> Parole is a procedure whereby an inmate of a prison who is considered suitable may be released, at a time considered appropriate by a parole board, before the expiration of his sentence so he may serve the balance of his sentence at large in society but subject to stated conditions, under supervision, and subject to return to prison if he fails to comply with the conditions governing his release.

• (2:10 p.m.)

On the following page the commission states that really parole is a treatment-oriented correctional measure, not a sentence-cor-

recting method. It is stated that parole is designed as a logical step in the total correctional process and is designed particularly to assist the offender's re-integration into the community as a contributing and law-abiding citizen. Again, they say that at the same time, for the offender, parole is an opportunity and a test of self-control and ability to get along in the community. These remarks really indicate what parole is all about.

Like the previous speaker, I must give credit to the chairman of the Parole Board and his associates for the tremendous job they have done concerning the problem of parole. In fact Mr. Street has made many speeches across the country in which he set forth what has been done in this field and the success that has been obtained. He pointed out that by keeping a person in prison the maintenance cost of such a person is roughly $5,500 a year and that when a person is placed on parole the cost of the parole amounts to $750.

There has been a great deal of success in respect of persons who have been placed on parole. They have obtained work in the communities at salaries and wages which add to the gross national product of our country. During the discussion of his estimates, the Solicitor General (Mr. McIlraith) provided the members of the committee with certain details concerning the population of the penitentiaries. These details indicate that 74 per cent of all inmates range between age 20 and age 40; 7 per cent range between age 15 and 20 and the balance is made up of persons over 40 years of age. This indicates the necessity for excellent parole provisions concerning people in the group between 20 and 40 years of age because of the number in this group, namely 74 per cent. I also note from the figures that in the year 1967 there were four persons in penitentiaries who were 15 years of age and 15 persons who were 16 years of age. Surely, we have reached the point where we are not sending persons who are 15 and 16 years of age to penitentiaries. This is one of the most dreadful things that could happen with regard to the treatment of young offenders.

In a return tabled in the House, the Solicitor General pointed out the number of federal parolees, the number of violations and the number of persons returned to custody in the period 1960 to 1967. Through the years there has been an increase in the number of paroles granted. In the year 1967 1,328 federal paroles were granted. Of that number, 328 parolees violated their parole conditions. There were 243 parolees returned to custody. The 1967 figures indicate that of the 1,328 paroles granted roughly 25 per cent of the parolees were in violation of their terms of parole and roughly 20 per cent were returned to custody. On the face of it, this would appear to be a rather high percentage. It would seem that we should direct our attention to the reason these parolees violated their parole.

The Ouimet commission report indicated some of the conditions that are imposed on a parolee. The report states that these conditions are not unreasonable. The commission did not recommend any substantial changes in this regard. I would imagine that the changes suggested by the minister are changes which probably have been recommended by the chairman of the Parole Board, and possibly the Commissioner of Penitentiaries as well as some other officials. It would seem to me that the persons who are missing are the parolees themselves. I should like to make a suggestion to the Solicitor General on which I hope he will act. When this bill is referred to the Committee on Justice and Legal Affairs, I would suggest that the members of the committee visit some of the institutions in which federal inmates are confined and hear what some of these men have to say concerning the provisions, the effect and the operation of the Parole Act. I would recommend that the members of the committee visit Kingston Penitentiary, Dorchester, St. Vincent de Paul in Quebec and also a minimum security institution either at William Head or Springhill in order to obtain from the inmates information about the operation of the Parole Act. I am positive that to date the Solicitor General has not had representations from these people.

Two weeks ago I had the privilege of sitting with the Transport Committee in Toronto when it studied ways to improve the ground transportation at the airport and other places in Toronto because of the difficulties which obtained at the airport in respect of taxi service. At those meetings, the Committee on Transport heard many taxi drivers set forth their views concerning the problems at the airport. Many recommendations were made with regard to improvement. I must give the hon. member for LaSalle (Mr. Lessard), the chairman of that committee, full credit for his patience with and encouragement to the taxi drivers and others who set forth their views. If the Committee on Justice and Legal Affairs were to make trips to certain institutions, and

if the Solicitor General apprised the wardens of these different institutions ahead of time of the fact that these visits would be made, it would seem to me committees could be set up in these institutions which would present to the Committee on Justice and Legal Affairs the views of the inmates concerning the Parole Act in general and the sections in particular which relate to the calculation of time and the forfeiture of a person's parole. I do not think this is an unreasonable request. I would hope that the Solicitor General and the chairman of the Parole Board would comply with this request.

I should like to think that the Solicitor General and the people of Canada are leaders in the reformation and rehabilitation of inmates of institutions. I have the unhappy feeling that we appear to be always about 10 or 15 years behind in these improvements. We seem to be always following either the methods of Great Britain or the United States in many fields. I notice the Solicitor General is shaking his head. When I think of the divorce bill and how long it took us to bring about changes which brought the Canadian law up to the position of the English law of 1870, and when I think of the abolition of capital punishment which had been obtained for many years in England before we brought it into Canada, it would seem obvious that we are dragging our feet and are not in the forefront in respect of up-to-date methods in the field of penology and treatment of prisoners.

• (2:20 p.m.)

Parole is one of the tools in the reorientation of a person who has broken the law and is now attempting to re-integrate himself into the community. Even though Bill S-19 only takes a short step toward correcting two items that the Solicitor General (Mr. McIlraith) and his officials feel are important, I hope that in the near future he will bring forth a Parole Act which will embody some of the recommendations of the Ouimet Commission that are not already embodied in the act. If this is done, as I said at the beginning of my speech, when he retires he will have added to his crown of glory in the House of Commons the jewel that he was in the forefront in developing the parole system to the benefit of the inmates of institutions.

Mr. R. Gordon L. Fairweather (Fundy-Royal): I do not want to delay this bill very long. The hon. member for Broadview (Mr. Gilbert) reminded us that parole is a treatment oriented concept. I think that he and others who have taken part in this debate have quite properly congratulated the board on the excellent program it has developed. I submit that the board would be the first to recognize that it tries to solve only part, admittedly the core part, of the total problem. I am thinking now of a young parolee who was recently released from Dorchester and is facing the really frightening prospect of getting himself a job and entering into the mainstream of life in the city of Toronto. There are many examples of this, and the officers of the board are exceptionally helpful.

But there are other aspects to this problem. Some of them are dealt with very effectively by the St. Leonard's Society, the halfway houses. Then, of course there are the Elizabeth Fry and John Howard Societies which obtain some funding from the government of Canada. I am thinking of the important links between the parolee and his integration into the community, and the frustration that he experiences in the community, despite the best Parole Act in the world, unless the concept is understood by a wide segment of the community. Otherwise, frustration and recidivism are bound to occur.

At Christmas time I had an opportunity to see something of the very close and effective work that the Canada manpower centres do in this field of service. I must admit that the manpower officer in the city of Saint John asked me to put his point of view to the minister, and this is a pretty good opportunity to do so. He feels that it is exceedingly important that the penitentiary service make available to manpower centres as much information as possible at the time when people can be expected to be released on parole.

In many parts of our country manpower officials have a pretty tough job, particularly where there is high unemployment. They have an added difficulty if the penitentiary service does not make available fact sheets. I forget the actual name of the form. We live in a world of forms and I cannot keep them all straight. But there is a sort of information sheet available on each person who is about to be paroled. So, I hope the minister and his officials will take this as a friendly and instructive criticism and suggestion that this information be made readily available to the manpower centres well in advance of intended parole. I think it happens in many cases now, but I am told by manpower officials that it is happening not as often as it should.

However, I understand that manpower officials quite properly visit the various institutions and, by way of interviews, receive some information on the people eligible for parole. I think this is a worthy objective.

I think that the chairman and members of the board are too modest about speaking about the achievements of the board since its inception. I know that a good many of the members of the board speak out on the subject, but I often wonder why they only preach to the converted. In other words, they often speak to professional people or people trained in the field, and I would make a plea for a stepped up series of statements or articles in the popular press about the board. I make no apology for this. I think that the story could be told in a rather dramatic form, not ladled on so to speak, but just told in some of the so-called popular magazines, both the church and the secular magazines of our country. Helpful as it is to have members of the board on the circuit, in my opinion nothing would be better than to have articles in the Weekend magazine, and other such magazines seen by a great number of Canadians, so that the public can understand that they have an extremely important role to play in the whole rehabilitation program.

We can have the most superbly drafted laws, but if there is no community acceptance of the concept, and the board and the minister are perfectly entitled to tell their story, then frustration will ensue. I hope to find in the months ahead a spate of articles on this subject, and I hope the minister will initiate them in the near future.

I want to make one other observation regarding the rather new phenomenon of the meetings of our judges. I know this is a delicate constitutional area, but I think that sometimes we are so delicate about the constitution that we resist some obvious initiatives. I think it has been very valuable that the judges, the sentencing officers of our system, have been having a good many more meetings on the problem of uniformity, in so far as there can be uniformity in a world as plural as ours. But this is an important departure and I hope it is followed up. I suspect—and I just voice this because the suspicion alarms me—that some magistrates who have not been gripped by the concept of parole, are imposing very substantial sentences, much more lengthy than they have before the parole system came in, and are turning over the problem to the board. I think this is not a good thing.

I noticed the other day, for instance, that in my own province a very young offender received 14 years for an infraction of the narcotics act. Obviously, there is an obligation, and an early one, on the parole board to rectify this sentence. But I would hope that judges, not only at the Supreme and Superior court level but on the magistrates level, across the country will step up the number of opportunities for getting together and discussing the whole matter of sentencing.

• (2:30 p.m.)

The drug problem is upon us whether we like it or not, and I suspect that long sentences, brutally long sentences, are going to have no appreciable effect on what is obviously the most serious social problem in the field of law that we have facing us today.

I congratulate the minister, and I am particularly happy to have an opportunity in public to say what many of us have found since coming to parliament, that the work of the parole board is worthy of our commendation and support.

Mr. Arnold Peters (Timiskaming): Mr. Speaker, I am very pleased to learn that something has happened since I last had an interest in the parole board. I heard nearly everyone say what a wonderful job they are doing. For a long time I was of the opinion they were doing a lousy job, so I am very pleased if this is correct.

Mr. Fairweather: It is correct.

Mr. Peters: The hon. member says it is correct. I have just looked at the figures given in a return tabled in the House, and I find that the number of prisoners in Canada has gone down in the last couple of years, particularly in 1968, which is a worthwhile thing. However, we find that in 1960, out of an inmate population of 6,344 at that time, there were granted 1,192 federal paroles. But you will note, if you look at the years I was particularly interested in here, 1962, 1963, and 1964, that the paroles were down as low as 600 out of a prison population in 1963 of 7,219. The reason for that, Mr. Speaker, was that public opinion at that time was highly aroused by two particular cases.

I think the board has shown a very slow reaction to what obviously should have been the principles applied to parole. I note that even in 1967, out of a prison population of 7,185, we still only had 1,300 paroles. I am not objecting to 1,300. I think that is pretty good.

There is another interesting fact, Mr. Speaker. If you look at the number of paroles that were granted and the number of parolees returned to custody, you will find the number has not varied greatly. In 1963, when we only granted 633 paroles, there were 185 returned to custody. In 1967, when we granted 1,328 paroles, there were only 243 that were returned.

Mr. McIlraith: I wonder if the hon. member would permit a question.

Mr. Peters: Certainly.

Mr. McIlraith: Is he aware that the figure he is using of those returned to prison is of all the paroles granted in that year, and the first figure he has given is only the paroles of persons in federal institutions? The hon. member for Broadview (Mr. Gilbert) made the same error in reading the figures.

Mr. Peters: This is the Solicitor General's own table, and he does not draw that distinction. However, it does not change the position. All I am interested in is the relationship. I was pointing out that, although we have more than doubled the number of paroles, the number of persons that were returned to custody increased by less than 20 per cent. In other words, if we again doubled the number of paroles we granted, we would probably reduce that figure for those returned to prison to 10 per cent. The number apparently will be small, but this number will represent the hard core of recidivists who will always remain. If we increase the number of paroles, we do not necessarily increase the number of recidivists. So, I think the parole board has been overly cautious. I certainly could not congratulate them on the number of paroles they have granted because I don't think they have been excessive. I think the number should have been much greater, taking into account the results accomplished.

There is one other point I would like to make. I have not been around penitentiaries much the last year or two, but in previous years, I heard complaints from all prisoners, and this is one of the reasons I support very strongly the position taken by the hon. member for Broadview (Mr. Gilbert). The prisoners themselves will give you a pretty good indication why parole is difficult, why they are dissatified with parole, and in many cases why parole does not produce the results we, the general public, want that parole to produce. A lot of the dissatisfaction comes from the fact that the inmates don't know the parole board. They have never had an opportunity of meeting them. Then, as soon as the parole board considers all the factors involved, their recommendation is supposed to carry some weight with the people in the administrative field—

Mr. McIlraith: Would the hon. member permit another question?

Mr. Peters: Sure.

Mr. McIlraith: Is he aware the parole board now conducts its hearings in the penal institutions?

Mr. Peters: Again, Mr. Speaker, it is very hard to keep up. I said I have not visited the penitentiaries for two years, but I am reading from the report of the Canadian Committee on Corrections, which was published in 1969 over the minister's signature. One of the points they make is, "the Committee therefore recommends that the parole board be composed of representatives from different disciplines." The Committee goes on to say that the parole board should meet in the penitentiaries.

Mr. McIlraith: That recommendation has long since been put into operation.

Mr. Peters: This book has only been out two weeks. I grant you the only way to find out anything about corrections is to go to the penitentiaries and investigate. This is a new book. I have not had time to read it yet. It just came to our attention two weeks ago, and now the minister says it is outdated. Why the heck did you put it out if it is out of date?

Mr. McIlraith: You have had it six months.

Mr. Peters: You have had it six months, but Members of Parliament have not. It only came to our attention within the past two weeks. If the minister says the parole board now does visit penitentiaries, then I think that solves some of the problem. I have heard many complaints from prisoners to the effect the board makes the decision on the basis of evidence which, standing alone, would not warrant their getting parole. They said that if they were able to explain more of the factors it would help them.

• (2:40 p.m.)

One of the factors which the board takes into consideration, and it must, is the environment into which a prisoner will be

released. In many cases the type of environment you read about on paper is not necessarily the type of environment to which the prisoner will be returning. I am two years out of date, Mr. Speaker, because I have not discussed this matter at any great length with prisoners. However, I was very impressed with the charge made by prisoners, particularly in Kingston and St. Vincent de Paul, that the administrative officers with whom they deal are often not in a position to tell them why they failed to get parole or to give them any advice to help meet new criteria. Probably more important is the fact that neither the correction officers nor the inmates were too familiar with the decision taken by the board nor the grounds for it.

At that time I heard a number of prisoners state that they were not going to apply for parole; they just were not interested any more. I still think, Mr. Speaker, that if we had a good parole system in Canada we would have correction officers in the penitentiaries advanced enough in their role to know when a prisoner should be released.

I remember a prisoner who is in the news today, and we will probably hear more of him, whose mental attitude improved enormously when certain changes that affected him took place in the penitentiary. That was the time for parole, the time his correction officer should have recommended parole, should have insisted that the parole board take a look at the situation. The parole board was interested in giving him parole a year or so later but he was no longer interested. He felt discriminated against and persecuted and felt that he had to clear his name. In my opinion when he was released he was in a much worse mental state and not as able to take advantage of rehabilitation as he would have been at the earlier date. I discussed this case with the deputy warden, who was also of the opinion that the time had arrived for this person to be released. The parole board still thinks a little like the judges—he has not been punished enough, enough time has not gone by.

Surely, anyone who is interested in parole or correction should act on the proposition that when a person's mental condition will allow him to be absorbed into society without resentment or difficulty to that society, that is the time he should be released. As the member for Calgary North (Mr. Woolliams) said, judgments vary in the extreme. They vary on a regional basis and on a number of other factors. In my own area we used to have a judge who suffered from ulcers and the sentences varied depending upon his medical condition on a particular day. The parole board, acting on behalf of Parliament and on behalf of society, should be able to make the decision on when a person can be accepted back into society.

If we only wanted to obtain free labour for the state, Mr. Speaker, we would put prisoners in the chain gang, as is done in Tennessee. We do not believe in that any more. Indeed, I do not think that Canada has ever been involved with that type of restitution, and I think most people would agree that we should not be involved in it. Today, many businessmen look at this figure of $5,000 or $6,000, which is the amount required to keep a prisoner in jail and decide, "My taxes are paying for it so I am going to do something about it. Send me some of these people and I will pay them, then I won't have to pay so much in taxes."

I suggest, Mr. Speaker, before we get carried away, that the parole board has not been that helpful or generous. They waited a long time, after those two accidents following their decisions of 1963-1964 to get back to where they were in the early 60s. I suggest there is still a considerable distance to go. I hope that the changes the minister contemplates in this bill will be put into effect. He says he has already started, but admits he is six months behind the report. My congratulations to him and to those people in the institutions who have made many changes.

I can remember going to the St. Vincent de Paul penitentiary when the attitude of the guards and the prisoners was a disgrace. However, the last time I visited it, the atmosphere was totally different and improved. Great strides have been made in actual physical changes, but much more was being achieved through the change of attitude. A lot of this is due to our improved ability to train guards for these institutions.

We are plagued today, Mr. Speaker, with many problems in the penitentiary system and in the parole system that have no relationship to either of these bodies but stem from our lack of ability to keep abreast of social development in this country, as suggested by the hon. member for Broadview. Without changing the laws, we are making decisions about things that carry extreme penalties, such as the use of marijuana, which has become acceptable to a large segment of the population. In my opinion, no one in this House believes that a user of marijuana

should receive a five-year prison term as punishment. We are almost as far behind as we were in the early days of prohibition.

Mr. Woolliams: Or when they hanged people for stealing a sheep.

Mr. Peters: That is right; or arresting a person for stealing food. It seems to me our society must change. I do not ask the parole board to make the decision for us, and I do not make the penitentiary staff responsible for the decision. I think we are closer to the judiciary than some of the other bodies and probably could have some influence on their decisions, which I think should better reflect public opinion.

On a number of occasions I have heard lawyers say, "If you have a bad law enforce it and somebody will change it." This may be so, and it may be the way to get changes, but it is very hard on some of our young people who feel the brunt of it. This must be a problem for the parole board and it is probably reflected in these figures, which are not broken down. We can put a young person in jail for five years for using marijuana, which is a non-habit forming drug. We can release him three days later and he is no more apt to take the drug then than six months later. No doubt there is a psychological problem as well as sociological problems involved, but there is no medical problem involved with this drug. Parole could take place two or three days after he goes to jail with almost as good a chance of success as five years later.

• (2:50 p.m.)

I am sure the parole board is not taking this fact into consideration and I really do not expect them to because of the hue and cry that would be heard from the judiciary. May I refer to something the Parole Board may not have considered. Would it not be a good idea to let out on parole all those people who are not dangerous and who would not benefit from being incarcerated but who would benefit if they were sent to university or some educational institution which could change their social attitudes? I think statistics will bear me out when I say that if you were to let almost all the prisoners out of penitentiary in this way you would not increase significantly the numbers who return to penitentiary a second, third or fourth time. It has been suggested that if you doubled the number you released on parole you would only increase by 10 per cent those who go back to prison a second time. If you were to let out still more prisoners, very few of them, I submit, would become second or third offenders. This way of reforming our penitentiary system might be good. After all, the system we now have has not worked too well.

I have made these comments because, as the hon. member for Broadview said, the committee will learn much from talking to prisoners. On one occasion we interviewed 14 prisoners in St. Vincent de Paul who, in the opinion of prison authorities, were the most hardened criminals there, the prisoners who were serving the longest terms. When we questioned them we expected to hear them say that the newly appointed warden was not a good man. Yet in all cases, without exception, they did not make strong statements against the warden of the penitentiary but said instead that he had not been there long enough to change some of the bad conditions which had existed under the previous warden. They were all pleased the new warden had stopped the beatings which had taken place previously, that he had been influential in providing better food for the prisoners and had heeded what the correctional officers had said about prisoners in their reports to the warden.

Many prisoners like these will tell you they do not want parole. Many of them will not accept it. After all, it is no use paroling a prisoner who will pay no attention to the conditions of parole. Paroling such prisoners may not be of advantage to society. I suggest that if the committee were to talk to some of these prisoners it would be surprised at the forthrightness and honesty of the answers given. The opinions the prisoners have of themselves often coincide with the opinions of the John Howard Society, other rehabilitation agencies and the courts. I say this because it is clear that changes can be made in the system and because the minister, as I know, is interested in bringing in some real changes.

We all want to bring up to date our parole system and our penal system, while at the same time doing our best to provide for the hard core criminals who, for one reason or another, will always be with us. The least we can do is try to reduce their numbers to the very minimum by the use of parole. It is my opinion that the Parole board is doing a better job now than it has done for some time. I sincerely hope it will continue doing good work and take a few chances in paroling prisoners. The rewards will be great. It ought

to take chances in paroling prisoners, especially where the rewards are likely to be greater than average. After all, some of the board's members have been re-appointed over long periods of time and they should not be too scared to take chances in the interest of a better, more modern and more up to date penal system.

Mr. F. J. Bigg (Pembina): Mr. Speaker, the paroling of prisoners is a very up-to-date and progressive move and for these reforms I wish to congratulate the department concerned. However, I do not want the minister or the department to think that this means the millenium has come in this field. So long as we have large numbers of people in our penal institutions and many failures in parole, much work remains to be done.

I wish to talk about a favourite subject, that of prevention. This is something the parole board thinks about a great deal. All those who interview young people who have run afoul of the law, and I am thinking of the John Howard Society, the Elizabeth Fry Society and members of the parole board, are impressed not by how different these young people are but how shockingly normal they are. I will confine my remarks in the main to young people. I think the emphasis ought to be on prevention, because once they have been arrested it is almost too late. Mr. Speaker, 90 per cent of our crime comes from 10 per cent of our population. Most of the trouble results from the young peoples' insecurity in formative years.

The trouble arises because of broken homes and opportunities of fitting into our economic society, which is still a jungle, being missed. I think all those involved in parole and most law enforcement officers in Canada will tell you that most young people who run into serious trouble with the law have had little guidance. The guidance should begin of course with the mother in the home, and if it is not given there it should be given at school. Also, people involved in parole will tell you that many young law breakers are school dropouts. Therefore, these young people ought to be guided and encouraged at school. Teachers should not always be looking at the bright students in class and saying, "Here is a bright student; I have a potential Rhodes scholar in my class." They should be paying attention to the potential dropouts, to the so-called submerged 10 per cent of our students, and encouraging them to learn more. Perhaps, by staying after five o'clock at night or on Saturdays the teachers could keep in touch with those students from less well-off homes to make sure they will not run afoul of the law.

By far the greatest number of offences in Canada today are offences against property. They are offences like petty stealing, the borrowing of the other boy's bicycle without his permission—

Mr. Woolliams: Or robbing the bank.

• (3:00 p.m.)

Mr. Bigg: The end result is bank robbery, but that is not where it starts. By the time you get to the stage of bank robbery you have usually committed a long series of petty theft, break and enter, hanging around street corners, and are incapable of earning a so-called honest living. I agree with other hon. members who have suggested the Parole Board should embark upon an educational program for these young people before they get off on the wrong track.

A great responsibility is on the peace officer when he arrests a young person, because he is the first contact with the law. If he uses physical violence unnecessarily in the arrest because he is not getting the information required for a successful prosecution, he drives that young person, psychologically at least, into the arms of the criminal world. The young offender immediately feels buddy-buddy with all those who have been locked up under similar circumstances. Whether or not he is guilty of a serious crime such as stealing someone's property or committing an offence against society, he is from the start lined up on the wrong side of society. A peace officer must not use rough or brutal treatment because he may be the first friend the young fellow has had. He should be firmly treated, but not kicked and pushed down.

I like to think that the young people who appear in magistrate's court are not being herded off to jail but are being firmly and sensibly counselled. I like to think the forces of society are on their side, and they should know those forces are on their side. They should feel, by the way they are talked to and treated, that they are wrong and the court is right. I speak with some experience in this regard.

We should set up police colleges for our policemen. We cannot do very much with our young people until they come in contact with the law. We can do something with the police officers in whose custody these people are until they appear before the magistrate. The RCMP already has such a police college.

Every person who wears a badge of the law and who has the right to lay his hands on your child or any member of society should attend a police college and learn how to deal with these problems.

I suggest, also, that the magistrates should attend regular classes because most offences under our criminal law are dealt with by magistrates. Very often their training is not equal to the task. They would be the first to admit this. I do not suggest that only fully trained men in the legal profession should be magistrates—quite the contrary. But magistrates should know the rudiments of the law which they are enforcing. They should attend a college and receive training from knowledgeable men of their profession so they can dispense justice in a way that will help more young offenders to return to being productive members of society.

I am not going to say anything about the need for more judges and the bottleneck in the higher courts. Certainly in the magistrate's court today there is a great deal of delay. When young people are arrested they should be brought to court without delay. There is no need to detain a person two or three days without benefit of his family or the security of his home, when all he have done is be in the company of people who are suspected of doing something wrong. We need more scientifically trained policemen and magistrates.

Before the luncheon adjournment we were told about a young lad who was sentenced to a year in jail for every minute he was in court. I know from my own experience this often happens. It is wrong. There should be much more investigation into the background of young offenders. If we are going to take three years of a young man's life and keep him behind bars, we can afford to give him all the investigation necessary to find out how he got into that frame of mind, whether he had been trafficking in marijuana, stolen someone's bicycle or broken into a store. If this is not done, we are wasting the greatest natural resource we have in Canada—the future of our young people. Fifty years of productive life may go down the drain if we hastily dispose of the matter merely because a young person pleads guilty.

I suggest any person under 18 years of age who pleads guilty in Canada today is an idiot. If a young person does this without explaining his psychological, home and economic background, it should be proof enough—to put it in lawyers' language—that he is *non compos mentis*. It might be a good idea if no one under the age of 21 was allowed to plead guilty. They should be presumed innocent until the Crown proves them guilty and they are put behind stone walls and iron bars for perhaps three of their most productive years.

A young person is put behind bars for only two reasons, to better him and protect society. When we put him in jail we should be sure that we have a program that will help him and society. I agree with those who say it does a man no good to spend three or five years in jail. I do not think people are completely sane who cold-bloodedly declare open war against society, say they are no longer going to work honestly, are going to rob banks, stick guns in the ribs of people, beat them over the head and snatch purses. However, if these people are under 21 years of age we should be very leary about entertaining a plea of guilty and accepting the responsibility of taking away three years of their liberty unless we know what they are, who they are, and why they did it.

• (3:10 p.m.)

If our excuse is that we cannot afford to set up the proper courts to listen, or that we do not have the time, we cannot say we are in any better position than they are; we are showing that we are so mean and self-centred in connection with providing the proper type of courts that we can no longer pretend to be meting out justice. Parole then becomes a farce, because it is no use putting a boy on parole after he has been in jail for three years, under present circumstances, particularly if he should not have been there in the first place.

It would call for a great effort on the part of the John Howard Society, or the Elizabeth Fry Society if the prisoner happened to be a woman, to explain that society was right all the time. We should deal with our young people with a sense of understanding, taking advantage of the knowledge available through modern psychology, looking carefully at the medical evidence and the economic opportunity available—the chance to get a job in the situation in which the person accused of committing an offence found himself.

What often happens is that a boy will say he was educated only up to grade three and left school in trying circumstances because his home was broken up. Since then he had been trying to earn his own living in some ghetto. Then we ask him: Why do you not have the money to hire a good lawyer and

pay for the expensive red tape which the bureaucrats demand? He cannot have his case reheard because it costs 25 cents a word to have the evidence typed out. He does not have 25 cents; if he had, he would not have been involved in petty theft, petty marijuana trafficking or an offence of that kind which looks very bad until you know the background.

He might have been smoking marijuana because he could not stand the strain. I do not say he should be allowed to smoke marijuana, but if society is to become believable in the eyes of these young people we must be as pure as Caesar's wife; we must show them that it is not for lack of willingness on our part to put up the money that we are locking them in jail without a proper hearing or rehearing.

I know whereof I speak, because as a peace officer I had to deal with such people. I listened to them, I talked to them through the bars, and sometimes I did not know what to do because there were no financial resources available to give them the kind of help which would at least have left them satisfied in their minds. I was careful to treat them as human beings while they were in my charge, by seeing they were properly fed and spoken to and not bullied, cajoled or threatened into making confessions in one form or another. They have written to me from jail saying they did not know there was no such thing as British justice until they landed in jail. That is a sad commentary on our much vaunted legal and fair society.

This is the problem we face. I am afraid the Parole Board is often working against heavy odds when after four or five years of injustice it tries to do something the need for which might well have been avoided in the first place. Then again, the harm was doubly exaggerated by the kind of treatment these boys received after they fell into the toils of the law.

If hon. members do not believe this is true, I challenge them to visit our places of confinement. In most cases the warden would be very pleased to have them go there. When these boys are interviewed, over and over again they tell the same story. They are not at all convinced that they were wrong. Again, I am not soft: I would not be soft after 23 years of the kind of life I have led. But I know there is much truth in what they have to say and I know that if these roadblocks are removed there is a possibility that it will be seen they have not had a fair deal.

In many cases it will be found that somewhere along the line a little humanity, a little help, a little readiness to listen may change their whole attitude. Even hardened criminals have turned from a lifetime of crime and become productive members of society because they found some person, possibly a guard or a warden, who treated them like a human being, or even because in the last days of their confinement they met a representative of the John Howard Society or a member of the Parole Board who was ready to help them on the road back. This is why I congratulate the Parole Board and those who are working so hard at the retrieving end. It is also why I ask hon. members to bear with me for a few minutes while I ask whether there is not more we can do on the preventive side.

Twenty years ago the Mounted Police had a forward-looking program called the Youth and Police Program. I believe it was cancelled in the name of economy. This is not the first time I have stood in this House and said that when this program was undertaken by well-meaning members of the Mounted Police, juvenile delinquency, which was at the root of the matter, dropped dramatically. When the young people of any community learn to—yes, I will use the word—love the policeman, there is no problem of juvenile delinquency on anything like the scale to which we are accustomed. When they see a police car, no tongues go out, there are no hisses or catcalls.

The cost of these programs to the Canadian public was negligible; however, the results not only in terms of broken glass saved but broken lives and broken careers mended was beyond calculation. The story of what happened in one small town in New Brunswick is well known and it is on record. Events there bear me out. The authorities closed the regular sittings of the juvenile court because one young man set up a boxing class. How much did it cost to get a few boxing-gloves donated by well-disposed citizens? How much did it cost to set up a few ropes in the curling rink when it was not in use and get these young men trying to punch each other on the nose under the Marquis of Queensbury rules, instead of meeting in some back alley, smoking marijuana and practicing mayhem?

There will always be hard-core prisoners. Some of the prisoners in the penitentiaries speak of the old alma mater. They wear the old school tie. They have their homo clubs going. They think they are running the penitentiary according to their own ideas. These

are no places to send any unhardened criminals, not even for 24 hours. We need new physical plant. I realize it is difficult for the minister to obtain the appropriations necessary for this purpose. I am sure he raises this matter and argues with his colleagues about it. But we must have additional plant; there must be an opportunity to segregate prisoners.

I know the minister and those responsible for law enforcement understand this well and are doing everything they can. We need more personnel of the right kind. We need more prison psychologists and doctors who can help in this regard. We also need a great deal more understanding on the part of the public. We have to reach the point at which we do not think that because a young man is put in jail he should no longer be allowed to visit his girl friend or receive more than one letter in two weeks, or whatever the period may be. I think he should be allowed to write all the right kind of letters he can. He must keep in contact with the decent side of society.

We should no longer punish married people by imposing long sentences of imprisonment in circumstances in which the woman is expected to live alone, apart from her husband, for a period which may be as long as ten years. What are we doing to her, perhaps an innocent victim of a terrible situation? Do any within the sound of my voice, or do any who may read what I have to say, think for one minute that in circumstances like that, after seven or eight years a person could be readily rehabilitated into normal society?

• (3:20 p.m.)

Even if you are able to control yourself with prayer and meditation, what kind of strain is put on the family never to see the father or the mother, or to have family communication of any kind? I say a long period is not required. These offences occur when the family is already shaken, and nothing is accomplished by this sort of inhuman segregation of members of families by imposing long terms of imprisonment. If the real aim of prison is to return a man to a productive society, not only for personal reasons but on the ground of making him a civilized human being once more, I suggest we should do away with the sort of sadistic cruelty that is a hangover of the dark days of the Middle Ages.

The same is true of our young people. Take the case of a young man who has committed what may be a minor crime, at least in the criminal sense. We are going to deprive him of social contact with the young lady of his choice. No longer will he be able to talk to her, hold her hand or pass the time of day, at least not more than once a month. This isolation does him irreparable harm. The fact that a young man of normal courage and instinct is deprived of his liberty should be shock enough; certainly it lets him know we no longer approve of the conduct for which he has been incarcerated.

With regard to sentencing and its effect on parole, I see nothing wrong with long and severe sentences for persons such as pushers of dope. But even there it might well be that a sentence hanging over a man's head will do more good than locking him up in a tank. If he is told to be of good behaviour or go to prison for ten years, this might well be the case, though I would leave it to the psychologists and prison experts to decide what will be a reasonable time after which to allow him out on parole and see whether or not he will again defy society.

We should also recognize that people in jail should not be regarded as slaves. Where possible, a prisoner should be allowed to earn money by the sweat of his own brow. We have taken away his liberty: in return he should be allowed to earn money which would be put in a trust fund until he is paroled. When he is paroled we should not necessarily give him the $2,000 or $3,000 that he had accumulated if he had been in prison for a long time, but we should give him a certain amount with which to rehabilitate himself. This could be regarded as rehabilitation pay and he would commence to earn it as soon as he went to jail.

When a prisoner leaves jail he enters a very difficult period of adjustment. For him it is like coming into the sunshine having been too long in the dark: he is blind for a while, lost in society. Any parole officer who knows his job will tell you that the first six months after being released from jail, at a time when a prisoner is trying to find his feet and is very proud and touchy, is a very difficult period. This is because the prisoner finds employment hard to come by.

If he does gain employment, he thinks that the next man on the lathe is watching him all the time, in the same way that for the previous three or four years, or whatever it was, he was kept under surveillance 24 hours a day. He feels self-conscious. He has lost his pride. Worst of all, perhaps, he has no money, no means of economic support. Perhaps he

went to jail for stealing a car because he did not have the money to buy one. When he is released from prison again he has no money to buy a car and he feels crippled financially. He does not feel responsible to himself. His spirit has been bent, if not broken. He is convinced that society has no use for him, and he is self-condemned.

If the prisoner had been taught a trade in the penitentiary, making tin cans, army boots or sewing overalls, he would have earned an honest dollar, money that he knows will be coming to him. It would not be charity. Many people on parole do not want the John Howard Society to hold their hand; similarly, a young woman does not want the Elizabeth Fry Society to tell her how to behave decently. In some cases the prisoners think their lives are not much worse than the lives of those who put them in jail.

If they were able to earn by the sweat of their own brow money which had been put into a trust account for them, they would be put on the street in a way we would like to be treated. You cannot rehabilitate people in halfway houses as fast as you can when you give them money which they have earned. This gives them responsibility and presents them with a challenge to go back into the world and become the normal people they were before they entered prison.

We must remember that these people have had a fall from grace. They committed a crime and were caught. They were given a fair trial—at least, I hope they were, though unfortunately in a good many cases they were not. However, we are putting a tremendous onus upon them to regain their place in society, and we should give them the economic means of so doing. This is more difficult for those who have nothing but the labour of their own hands to turn to. Those who are highly educated and have a Ph.D. can probably step into lucrative employment straight away these days, with our broadminded approach to rehabilitation. Not so the labourer. If he cannot put his $1 on the counter to buy beer along with his pals, he is a second-class citizen.

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, the member of this House who has just spoken made a most interesting presentation based on his knowledge as a member of the House of Commons, his interest in penology and, most of all, on what he learned and understood as, shall I say, a humanitarian when he was a member of the Royal Canadian Mounted Police. I think hon. members should pay particular attention to what he said.

If my memory is correct, for many years he was called upon to arrest and to jail those who had broken the peace. In the hon. member's case, his interest did not stop with arresting and jailing; his interest was—and still is—what happened to those prisoners afterwards. That is why I wish to emphasize the importance of what the hon. member has been saying these past few minutes.

• (3:30 p.m.)

My position is a little different. I have had an interest in penology in all its aspects for the past 35 years. I have had this interest as a member of the provincial legislature of British Columbia and for almost the past 17 years in this House of Commons. This is not a passing interest; it is an interest that took me to see a man hanged in order that I could understand one aspect of capital punishment. In pursuing this interest I have made until now at least five visits to our penitentiaries every year.

I do not believe in guesswork, and therefore I visit the penitentiaries. During my visit to a penitentiary I have met from five to, on one occasion, 138 inmates in three days. So, Mr. Speaker, I believe I can safely say I have a keen and true interest in penology and I understand that if one breaks the law he must pay the penalty. But I also believe that our Canadian system of penology should not be based on revenge but on rehabilitation.

I sincerely regret that I must say Canada has not yet learned the meaning of modern penology and rehabilitation. We are so confoundedly stupid in respect of governmental decision and in respect of the building of our penitentiaries that in recent years we built a maximum security penitentiary which included aspects that were wiped out in the United States 60 years ago because they were considered to be inhuman. This is what we do in respect of penitentiary construction. If we are 60 years behind in construction, it is perhaps understandable and regrettable that we are so far behind in respect of parole.

Bill S-19 is a bill to amend the Parole Act. What is it? It is a bill containing two items of housekeeping; that is all it is. In this session we have a bill to amend the Parole Act which does not contain a damn thing concerning modern penology or modern parole systems, and which does not show that the government

has any understanding of the procedure concerning rehabilitation or any belief that this should involve anything better than recidivism, the return of people who break the law to our jails and penitentiaries.

Mr. Speaker, I know I am not alone in saying we expected more in this session of Parliament than a couple of housekeeping measures in a bill to amend the Parole Act. We expected that Canada would start to catch up with the meaning of rehabilitation, and would initiate new policies to prove to those who break the law and have to pay the penalty that we are prepared to forgive them by giving them an opportunity to leave the penitentiary on parole under a parole system which does not involve outmoded regulations and procedures which a human being has to break. Do you want to know what I mean by that, Mr. Speaker? Some people will not like this, but I will tell you. Every man has the same considerations whether in penitentiary or out. If a man has been in a penitentiary for two years, five years, ten years or more and suddenly finds himself out in society he is going to blow his top.

Mr. Bigg: That is right!

Mr. Winch: There are two things he might do. He might get drunk, or he might buy a woman. Right?

Mr. Bigg: Of course.

Mr. Winch: Of course. So he breaks his parole, and immediately he has lost his whole period of parole. If he celebrates with beer and a woman, he breaks his parole and is back for the entire term of his original sentence. I do not know; I suppose the Solicitor General (Mr. McIlraith) is as old as I am, but there are a good many people in jail who are not. Why do we not face the facts of life? Why do we not understand that men who have been inside prison walls in cells should be given a chance to explode a little? But no, not under our parole system!

There certainly is nothing in this bill that indicates a recognition of human nature. No matter how many years a person spends in penitentiary, he has only a few dollars when he comes out—and then what happens? He tries to get a job. Mr. Speaker, I say through you to the members of the House of Commons that I have known, not one but dozens of persons who have come out of penitentiaries in Canada, have obtained a job and learned the next day that someone has phoned the employer and said, "Do you know that the man you just hired is out of penitentiary and is guilty of a criminal offence?"

• (3:40 p.m.)

In one case a man was fired from six successive jobs because a policeman phoned the employers and asked, "Do you know who you have employed?" I think the Parole Act should provide that once a man has served his sentence he should not be prejudiced by our law enforcement officers when he is trying to get a job and holding it. I will go further than that. A man who is incarcerated for over two years in the penitentiary earns so much money. When you take off the few cents a day he is allowed for his canteen costs, he may end up with $50 to $100 on his discharge. He has to become rehabilitated and find a job.

I have suggested for years in this House that since by law a man must work in the penitentiary, we would be saving money as taxpayers if we paid unemployment insurance, so that when a man comes out of the penitentiary on parole and blows the little money he has—and, for God's sake, who blames him for blowing it—he has the basic security of unemployment insurance for three or six months until he can get himself established. This is part of parole.

Has the Solicitor General gone into these matters? Is he interested in them? Not according to the bill in front of us, the only Parole Act bill we have considered this session. It costs approximately $5 a day for every man and woman in the penitentiary. Other countries recognize this fact and act accordingly, as they do in the federal penitentiary system of the United States. If you break the law, you serve a sentence. But if you want to, and do, co-operate then as an inmate why should you not go out and work in industry and come back to jail at night or at the weekend? You get union wages for your work. The inmates are charged for their room and board, and they maintain their families.

We are making a slight start in this direction in Canada, but there is nothing in this bill that would make it a definitive policy. There is nothing in this amending bill to show that we understand parole is granted not only when a man has served a quarter, a third or half of his sentence, but that it could start from the day he began to serve his sentence with understanding for and acceptance of his responsibility.

I would be the first to say that if we had a progressive attitude to parole, a modern understanding of penology, and followed it through, and the parolee broke his parole, we should put him back in the cell behind bars, because if he will not accept responsibility that is where he belongs. But I firmly believe, from visiting our jails and penitentiaries over 35 years and listening to thousands of people in them, that if we could convince them we are interested in their rehabilitation, and not in revenge, and gave them the opportunity for rehabilitation by saying they were under our control but outside the cell and the prison walls, there would be far less recidivism than there is today. We would reclaim many more of them to a social rather than an anti-social attitude, and would thereby save millions of taxpayers dollars which are now being wasted because of our outdated understanding of penology and our outdated approach to the probation and parole systems.

I hope you agree, Mr. Speaker, that I have been speaking on the principle of this bill all the way through my remarks. I am heartbroken and disgusted that in the first session of a new Parliament, all that the government has introduced to amend the Parole Act is a couple of housekeeping measures. I speak most sincerely on this matter, as did the hon. member who preceded me and who can perhaps speak with more authority than I can, having been a sergeant in the RCMP for many years.

We hope the government, in the interest of rehabilitating those who have broken the law, in the interest of humanity and in the interest of the taxpayers, will take a new look at our system of penology and will try to learn from the experience of countries outside Canada, even some that are supposed to be heathenish. I have heard some people say how wrong it is, oh my God, to allow conjugal relations inside prison, as is the case in some countries. What is wrong with that? The biological urge of a man in prison is no different from that of a man outside.

I hope the Solicitor General and the government will take a new look at our system of penology and before this session is over will bring in a few comprehensive and understandable amendments to the Parole Act. Let us lead the world in this regard, not follow it.

• (3:50 p.m.)

Mr. Deputy Speaker: Order, please. May I point out that if the Solicitor General speaks now he will close the debate.

Hon. G. J. McIlraith (Solicitor General): Mr. Speaker, I shall try to be very brief in my remarks so that the House may reach a decision on the bill before we adjourn. The debate has been wide-ranging and I suppose one might say it went far beyond the bill that is before the House for consideration. But if it did, I have no complaint because while it was far-ranging it covered problems of major concern to society today, and I for one was glad to hear the expressions of opinion of the hon. members who took part. In the few minutes at my disposal before we adjourn I shall try to deal with some of the points raised by hon. members. I will leave other points to be dealt with at the committee stage of the bill.

The hon. member for Calgary North (Mr. Woolliams) spoke at length about sentencing which, while it is of real concern, of course, is not directly related to this bill or the Parole Act. It is a subject which comes under the responsibility of the Minister of Justice (Mr. Turner) and has to be dealt with in another context in legislation dealing with sentencing.

The parole process should not be thought of as a review of sentence but rather as a part of the corrections program for persons who have been convicted and sentenced. It is important that it not be regarded as a process of appeal against sentence. I believe that would be fatal to the whole concept of corrections work and would destroy the program that is under way. Rather, it must be used aggressively in the corrections program so that once a person is convicted he is rehabilitated in the quickest and most effective way possible, and assisted to that end.

The hon. member also referred to a particular court case. He was good enough to give me the name of the case after the noon recess. Of course, the authorities will be looking into that matter at once. It would perhaps be inappropriate for me to comment on the case because I do not have detailed information about it. In any event, it is better done by the Parole Board authorities, who have all the files and information before them, rather than my speaking to it without having the necessary information.

The hon. member for Broadview (Mr. Gilbert) made an interesting speech and I shall make some comments on it. He spoke about the bill being a housekeeping bill dealing with the Parole Act. Of course, that is precisely what it is, what it was intended to be and what it is put forward as being: it is not intended to be anything other than that. I did not quite understand his desire to have the

Parole Act amended, because the Parole Act was amended extensively in 1969 and would seem to give authority for any or all of the propositions that have been asserted today. The problem does not lie in inadequate legislation governing parole; it is one of pressing forward with reform in this area, taking advantage of all the knowledge we can acquire on the subject and using it intelligently.

The rate of reform in this area is very rapid. With respect to the parole figures that were used in the debate, I am afraid there was a misconception. The hon. member was using the figure of paroles granted two or three years ago in respect of federal institutions only, but as the number of persons who returned to prison because of breach of parole he was using the figure applicable to all paroles granted whether the person was in a federal or provincial institution. That led to some confusion and I sought to correct it by asking a question later in the proceedings. The number of paroles granted in 1969—the figures are available right up to the end of last year—was 4,796. That was an increase from 1,750 granted in 1964. Therefore, it will be seen there is a very rapid increase in paroles granted.

The use of day parole has sharply increased. The number of day paroles granted or used, mainly for students returning to school during the day or to university, as the case may be, was 487 last year. Day parole is also used in other circumstances that perhaps can be elaborated on in committee. But it is interesting to note that the use of day parole has sharply increased over the years and how satisfactory it appears to be in the case of young offenders either still at school or who were students before they ran afoul of the law. It is used in order to keep them in their training processes at school or university.

Some rather complimentary remarks were made about the Parole Board, which I was very glad to hear and with which I heartily agree. I appreciate its work very much. I think it is a board that is working efficiently, and I want to make it very clear that we wish to continue that process in the future. It must be a continuing process. This is no place to sit back and rest on the laurels already won. There is an advance to be made in the years ahead. I believe we have one of the best corrections systems in the world today, that we have done a great deal very rapidly but that we have a great deal more to do, which is what interests me and must receive attention. Reference was made to the Committee on Corrections' report. At the moment that report is receiving very active study by the government. For example, 14 of the committee's recommendations relating to parole are already in operation and the work is going forward very rapidly.

Other hon. members made interesting suggestions, Mr. Speaker. I would like to take the time to comment on them all, but I think it is the sense of the House that I should not do so at this moment. I was very much interested in the remarks of the hon. member for Fundy-Royal (Mr. Fairweather) who spoke about the need to get into the hands of the public more information on what is being done in this field. I heartily concur. This is one area in which I feel we have not been as successful as we should have been. Indeed, if I may say so in all fairness, the remarks of some hon. members indicated the need for bringing up to date information on what has been done very recently in this field, because obviously it was not known to them although they are genuinely concerned with the subject and try to follow it closely.

I welcome the opportunity of appearing before the Standing Committee on Justice and Legal Affairs with the estimates of the department, when the whole subject can be pursued in detail. I should add that at the start of this session I suggested to the committee that they visit the penal institutions of this country. I have made that suggestion several times since the opening of the session, the last occasion being as recently as Wednesday of this week. I would hope we could arrange to do that as soon as hon. members are ready.

• (4:00 p.m.)

Hon. members may select the institutions they wish to visit, but St. Vincent de Paul seemed to be mentioned many times. I would hope that when we visit that institution it is to participate in the start of the physical destruction of a major part of it. New accommodation has been provided to replace it in the Archambault institution, to which prisoners are being transferred at the rate of 80 a week. I believe the hon. members concerned would share with me the pleasure of starting the physical obliteration and destruction of some of the old wings of the St. Vincent de Paul institution.

Mr. Speaker, I thank hon. members for their remarks and look forward to dealing further with this bill at the committee stage.

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

Some hon. Members: Agreed.

Motion agreed to, bill read the second time and referred to the Standing Committee on Justice and Legal Affairs.

FOREIGN INSURANCE COMPANIES ACT

AMENDMENTS RESPECTING REGISTRATION, OPERATION AND ADMINISTRATION

Mr. Gray: Mr. Speaker, if I might raise a matter of order, I understand that in spite of the hour there is a disposition in the House to take third reading of the Bill S-7, to amend the Foreign Insurance Companies Act, by virtue of the fact that it covers the same ground as the British Insurance Companies Act which has already been debated in this House. If this is so, I wonder if we could have agreement to proceed to third reading.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, on the assumption that there is no debate, we would agree to this, on division.

Mr. Baldwin: We agree, Mr. Speaker. Passing this bill on third reading, without debate, appeals to us.

Hon. Herb Gray (for the Minister of Finance) moved that Bill S-7, to amend the Foreign Insurance Companies Act, as reported (without amendment) from the Standing Committee on Finance, Trade and Economic Affairs, be concurred in.

Motion agreed to.

Mr. Gray moved that the bill be read the third time and do pass.

Mr. Knowles (Winnipeg North Centre): On division.

Motion agreed to and bill read the third time and passed.

PRIVILEGE

MR. McGRATH—CORRECTION OF STATEMENT MADE DURING ORAL QUESTIONS

Mr. McGrath: I should like to rise briefly on a question of privilege, Mr. Speaker. Earlier in our proceedings today during the course of the oral question period I find, on checking the record, that I wrongly accused the hon. member for York South (Mr. Lewis) of making a false and misleading statement. I wish to apologize to the hon. member for York South. I have great respect for him and I should like to thank him for taking an interest in the plight of the longshoremen in my constituency. I apologize to the Chair, Mr. Speaker.

Mr. Deputy Speaker: Order, please. It being four o'clock, the House will now proceed to the consideration of private members' business as listed on today's Order Paper, namely, public bills.

PRIVATE MEMBERS' PUBLIC BILLS

CANADA EVIDENCE ACT

AMENDMENT RESPECTING INCRIMINATING STATEMENTS MADE BY ACCUSED

Mr. David Orlikow (Winnipeg North) moved that Bill C-31, to amend the Canada Evidence Act (incriminating statements), be read the second time and referred to the Standing Committee on Justice and Legal Affairs.

He said: Mr. Speaker, one of the things we Canadians cling to is the idea that the administration of justice in Canada is not only fair but is felt to be superior to the administration of justice in the United States. In recent years, however, decisions by the United States Supreme Court have been responsible for a number of protections being afforded to anyone under arrest, and for restrictions on the police. These protections are unknown in Canada.

My bill has been drafted to put into effect the recommendations made by the United States Supreme Court. I take no credit for the drafting, Mr. Speaker; it was done at my request by a former associate of my colleague the hon. member for Greenwood (Mr. Brewin), Mr. Theodore Matlow who has had years of experience in the field of criminal law. I am satisfied that the draft which he prepared follows very closely the proposals made by the United States Supreme Court.

I should like to read a couple of paragraphs from the New York *Times* dated June 14, 1966, in which are summarized the views of the United States Supreme Court both in the news article and in the substantial excerpt from the decision:

> The Supreme Court announced today sweeping limitations on the power of the police to question suspects in their custody—
>
> The suspect, the court said, must have been clearly warned that he may remain silent, that anything he says may be held against him and that he has a right to have a lawyer present during interrogation.

If the suspect desires a lawyer but cannot afford one, he cannot be questioned unless a court-appointed lawyer is present.

If the suspect confesses after receiving the required warnings but without having counsel, the burden is on the prosecution to prove a knowing waiver of rights. And any prolonged interrogation will be taken to show a lack of waiver.

Mr. Speaker, I want to quote just one paragraph from the decision. Chief Justice Warren said:

When the defendant denied the accusation and said, "I didn't shoot Manuel, you did it," they handcuffed him and took him to an interrogation room. There, while handcuffed and standing, he was questioned for four hours until he confessed.

During this interrogation, the police denied his request to speak to his attorney, and they prevented his retained attorney, who had come to the police station, from consulting with him.

There are many cases, although not quite as bad, of a similar nature in Canada. I shall refer to one example before spelling out what my bill would do. I refer hon. members to the Steven Truscott case, but it is not my intention to discuss today whether Steven Truscott was guilty of the crime for which he was tried and convicted. I point out, however, that Steven Truscott was picked up by the police; he was 13 or 14 years old; he was taken to the police station; he was questioned for longer than three or four hours. During the time he was being questioned his parents came to the police station but were not allowed access to the boy. At no time were the boy or his parents made aware of the fact that he had the right to have counsel present when being questioned. It is true that Steven Truscott did not confess, but I submit that the whole course of the trial would have been substantially different had counsel been present while he was being questioned. That right was not given to Steven Truscott. My bill would, if enacted, provide the following:

3. No statement shall be admisisble in evidence against its author in any criminal trial or other criminal proceedings against him unless it is first proved to the satisfaction of the court that it was made voluntarily and without any threat of harm or promise of gain by a person in authority.

• (4:10 p.m.)

4. No statement shall be admissible in evidence against its author in any criminal trial or other criminal proceedings against him if such statement was made while its author:

(i) was in the custody of any person in authority or;

(ii) reasonably believed that he was in the custody of a person in authority,

unless it is first proved to the satisfaction of the court that immediately prior to making such statement, its author was duly warned by a person in authority that:

[Mr. Orlikow.]

(i) he was not required to make any statement;

(ii) if he voluntarily chose to make a statement, it would be taken down in writing and might later be used in evidence against him;

(iii) he was legally entitled to legal counsel and that if he could not afford counsel, one would be assigned to act on his behalf if he so desired.

5. (a) If, pursuant to section 4, a request for counsel is made, it shall forthwith be made known to a justice having jurisdiction who shall make all investigations that he shall require to inquire into the financial means of the person on behalf of whom the request for counsel was comunicated;

(b) If the justice believes that the person who requested counsel has not sufficient means to obtain counsel, he shall forthwith assign counsel to act on behalf of that person.

6. (a) No person shall be interrogated by any person in authority after such person has requested counsel until such person has had a reasonable opportunity to confer with his counsel;

(b) Every person is entitled to the presence of counsel during all interrogations by a person in authority.

7. No statement shall be admissible in evidence against its author in any criminal trial or other criminal proceedings against him if he was without the benefit of counsel at the time the statement was made unless it is first proved to the satisfaction of the court that the author knowingly and voluntarily waived his right to counsel provided by this act.

One need only visit the magistrate's courts or read any Canadian metropolitan newspaper for a couple of months to realize that people are frequently denied the right to counsel. There was a case in Toronto in the summer of 1969, a few months ago, involving Mrs. Shirley Hunter. She suffers from a sickness that makes her appear drunk, and she was involved in a slight accident and taken to the police station. When she tried to telephone her husband, the telephone was torn out of her hand. Her husband was called later and notified she was in jail but he was not permitted to see her. She was kept in jail overnight. The damage to her emotional and nervous system was considerable. As I say, she was not allowed to call her husband, she was refused bail and was not permitted to see counsel after her arrest.

In 1966 there was a case involving an Ottawa girl, Ann Lalonde, who had gone to Toronto. Ostensibly, her offence was being a vagrant in Yorkville. Here I am not concerned with whether she was guilty or not; I am concerned more with the magistrate's attitude. She appeared before Magistrate Donald Graham. Naturally, a young 17-year old girl from Ottawa who visits Toronto will not have a lawyer. I wish to read part of the discussion between Magistrate Graham and the girl, if

what took place can be termed a discussion. The magistrate said:

> You wander, all day. You've got to tell me where you're going to stay in the next week or so, or you're going to stay in custody. Why can't you go back to Ottawa?

The girl replied:

> Because I don't want to...I had my own room the other week. There is nothing wrong with that. It is not against the law.

The magistrate said:

> It is against the law, that is why you are here. Where are you living now, today, where is your room?

Later the magistrate said:

> Well, we don't need you in Toronto and we don't want you wandering around. You'll get a decent place to live and you'll get a decent job if you're going to stay here, or you'll stay in custody—

And so on and so forth. The magistrate was giving his opinion when he said a person ought to have a decent job—a decent job being one that he no doubt approved of. I may agree with the magistrate. The point is that throughout the trial the magistrate consistently behaved in a way he would not have behaved had counsel been there to represent the girl. The magistrate did that only because the girl appeared in court without a lawyer. He would never have spoken to her that way if she had been represented by counsel, because he would have known that counsel would have taken the case to appeal and the appeal court very firmly and in no uncertain terms would have commented on what happened during the trial below.

I say this because I assume magistrates who are appointed have some knowledge of the law. I see the hon. member from Ottawa shaking his head. That really disturbs me! Every person in the land—not just businessmen, Members of Parliament, professional men and professional criminals, who certainly know their rights—should have the chance to be represented by a lawyer. They should not be required to make a statement to the police or to be questioned until the lawyer, if they want one, is present.

I repeat that every person ought to enjoy a fundamental right in Canada, the right to be represented by counsel at preliminary proceedings in order to make sure he is later given a fair trial. That is the position the United States Supreme Court has taken. It has spelled out the rights of the people and said that if the police, prosecuting attorneys or authorities ignore those rights, any convictions based on proceedings which have contravened those rights may be set aside.

I understand the Minister of Justice (Mr. Turner) may propose legislation along those lines in future, together with other changes to the Criminal Code, in order to spell out the rights to which ordinary people are entitled. I hope hon. members will support the principle of this bill.

Mr. Hyl Chappell (Peel South): Mr. Speaker, although I admire what the hon. member for Winnipeg North (Mr. Orlikow) has in mind, I cannot go as far as he would, nor would I like to see the principle of the recent United States decision codified into our law. Bill C-31 would add part IV to the Canada Evidence Act to exclude statements made by an accused or suspected person during the investigation of an alleged breach of the Criminal Law unless taken under circumstances which provide the maximum of protection to him.

Generally speaking, under this bill the statement would be excluded unless the author was warned (1) that he was not obliged to make a statement; (2) if he did, it would be taken down and used against him; and (3) that he was entitled to have a lawyer present and, by inference, that that lawyer would be paid for by the province or the federal authority. All the lawyer would have to do if he must be there is say to the accused person, "You need not give a statement" and for all practical purposes all statements would be wiped out.

• (4:20 p.m.)

Certainly, sometimes there is abuse in taking statements; there is no question about that. But against this, do we take such a drastic step as to do away with, for all practical purposes, the use of the statement or confession and thus assist the criminal element, or at least a branch of society in which many turn out to be convicted criminals? The law up to now, as I understand it, is that in Canada, as in other common law nations, the confession must be voluntary. If there is any flattery of hope, or torture of fear present in the statement, it is excluded. The rules are not rigid. They are flexible. As has been the custom for centuries under British common law, there is discretion on the part of the trial judge. He makes the decision and usually after a trial within a trial he satisfies himself that the statement was voluntary.

Under the law as it is today, a lawyer need not be present when the accused is being questioned. If a lawyer is called, he will usually say to his client, "Don't talk until I get

there." I believe most lawyers take the further precaution of phoning the detective and saying, "I talked to my man and told him not to talk. If he does talk, I am going to be most suspicious." In my experience, that usually works. I think our flexible rules, which are growing and giving more protection, are quite good.

I think the first two points mentioned by the hon. member for Winnipeg North (Mr. Orlikow) could be codified, namely; that an accused must be warned that he need not give a statement and that if he does it will be taken down and may be used against him. With regard to his suggestion that a lawyer should be present and paid for attending on behalf of the accused, it is not possible as the law is today. The only way a lawyer could be paid by a province is if legal aid has been introduced, as it has in Ontario; but it has not been introduced in many of the other provinces.

But I wish to deal with the suggestion at a higher level. Do we want to go as far as the hon. member suggests? In some cases, Mr. Speaker, questioning is absolutely essential for crime detection. For example, with a murder or wounding among a youthful and riotous gang, any one of them could be suspect because there is no real motive; it was done in the heat of the moment. I suggest there is no way of solving that crime unless confession and questioning are usable. Without statements and confessions I suspect that 15 to 40 per cent of those now convicted would have escaped detection and conviction.

What would public reaction be in respect to sexual offences against young children if the offenders were not apprehended? Why are we so concerned about hampering the police? They are not a foreign power trying to harm our society; they are our representatives acting on our behalf in protecting society. I wonder if at times we have too much concern for the criminal and not enough for the good people who seek to be protected.

How does the proposed treatment of problem children compare with the treatment of other members of our society? I believe it is almost certain that we will allow the police to use wire-tapping to catch criminals. It just is not possible to do that without tapping the telephone lines of innocent people, which is a very serious invasion of privacy.

What about the breathalyzer? An accused can now be dragged out of his home, taken to a police station and asked to submit to a breathalyzer test. He cannot have a lawyer present and he cannot refuse the test. If the reading is .09 he is convicted. He has a police record. Even if the magistrate believes that he had only one ounce of alcohol and was not impaired, he is still convicted and has a record.

I heard recently of a man in Cayuga being picked up. His reading was .09. He went to the next police station, which was in Hamilton, and they refused to give him the test. He then went to a hospital and asked for blood and urine tests but was refused. Many of these people have made only one mistake, yet we are giving this extreme authority to the police. I wonder why we are so conscious about criminals who may be repeaters and insist that they must have a lawyer present every time, and thus destroy the benefit of confession or statement evidence.

Although I cannot go so far as the hon. member has suggested, because I think it would amount to coddling criminals in comparison with the way in which we treat automobile drivers, I do have some concern for the poor and less experienced people who are brought to police stations. I would like to see a sign posted in all police stations which reads, "You need not give a statement." Perhaps it should go even further. The law could provide that one must sign a form to the effect that it was explained to him that he did not have to make a statement.

Mr. Barnett: Mr. Speaker, I wonder if the hon. member would permit a question.

Mr. Chappell: I just have one more thought. If I could finish that, I will be pleased to answer the hon. member's question. I would go even further and agree that a lawyer could be present, with certain limitations. Experienced criminals or people in the know, such as lawyers, doctors and reporters, would get their lawyer there rather quickly and would know enough not to talk in the meantime. But if there is to be a lawyer for all, someone has to pay that lawyer to stand by. He must be available immediately. We cannot have the police held up in their investigation from six o'clock at night until ten o'clock the next morning waiting for a lawyer to come into his office.

There is another important point. If the lawyer is allowed to be present, he must not prevent the questioning. If he is to be present, the hon. member's first point must be

struck down. The accused is subject to questioning. The point of the lawyer being there is to prevent unfair questioning and abuse. The statement could be taken down. If there was misbehaviour by the police in spite of the lawyer's objection, there would have to be some provision that an action could be taken against the police for such misbehaviour. In this way we would give protection to those people who are suspect or accused, while at the same time affording to the public the protection which they in turn so amply deserve.

• (4:30 p.m.)

Mr. Barnett: I should like to ask the hon. member whether I heard him correctly. I understood him to assert that the police could enter my home, drag me out, take me to a station and force me to submit to a breathalyzer test, and if there was a reading of .09 I would then have a criminal conviction recorded against me. Is this what the hon. member said?

Mr. Chappell: If I used the word "drag," I did not mean dragged physically. It is unlikely the police would do that. There would probably be a charge of resisting arrest. After an accident they could enter your home within two hours. If an officer smelled liquor on your breath, he could ask you to go to the station. You would have to submit to a breathalyzer test, and if the reading was .08 or more you could be charged, and would have a police record.

Mr. Barnett: I take it this would happen only if one had been involved in an automobile accident.

Mr. Chappell: No, I would not go that far. It could be that a motorist had run through two or three red lights, a pedestrian had noted his licence number and telephoned the police.

Mr. Barnett: The officers could enter my home without a warrant?

Mr. Chappell: I will not say they could break down the door, but they could knock at the door and ask you to go with them, and if you did not agree to go you would be subject to another penalty under the Code.

Mr. D. Gordon Blair (Grenville-Carleton): Mr. Speaker, the presentation of this bill by the hon. member for Winnipeg North (Mr. Orlikow) reflects, I think, the acute concern felt by society at the present time about the administration of justice and about justice itself. I stress this: I think our concern should be about justice, not only to the persons who are suspected of committing crimes but to all other members of society. I hope that never in this country will we be caught up in the kind of debate they have been conducting south of the border on the subject of law and order. Law and order can only truly be based upon justice and upon the realization by all people that their criminal law is administered in a just way.

The hon. member's proposal really falls into two parts. The first requires that any confession made by a person suspected of a crime must be voluntary. The second requires that before any confession made by a person suspected of a crime is admitted, it must be demonstrated that counsel was present at the interrogation and that he was able to consult counsel, unless the person suspected had clearly and unequivocally waived his right to counsel.

The law of this country has been for many years, and remains, that confessions made by a person accused of a crime can be admitted in evidence against him only if they are voluntary. We may, therefore, have cause to wonder whether it is necessary to incorporate this well known and well understood feature of our law into the Evidence Act. There may be good reason for not doing so if only because of the difficulties which might be created by statutory interpretation in the future denying to persons suspected of crimes the flexibility of approach which is inherent in the present application of this principle under the common law.

The principle has been asserted in many cases. One is the case of *Boudreau v. The King*, reported in 1949 Supreme Court Reports, page 262, at page 271. Mr. Justice Kellock, quoting the well known words of Lord Summer in *Ibrahim v. The King*, as follows:

> It has long been established as a positive rule of English criminal law, that no statement by an accused is admissible in evidence against him unless it is shown by the prosecution to have been a voluntary statement, in the sense that it has not been obtained from him either by fear of prejudice or hope of advantage exercised or held out by a person in authority. The principle is as old as Lord Hale. The burden of proof in the matter has been decided by high authority.

It is clear from the jurisprudence and from the law as it is applied daily in the courts of

Canada that the burden of proof is on the Crown to establish that any confession made by an accused has been made voluntarily. In these circumstances, as many lawyers here know, a person accused of a crime is advised clearly of his right to remain silent; that any statement he has to make or might wish to make should not be influenced by any hope of advantage or fear of prejudice; and that any statement he might make can be used against him in subsequent proceedings.

There have been occasions in the past when it has been urged in the courts that the procedure for taking statements from accused should be codified in some sort of ritual. This suggestion has never been accepted by our courts. Mr. Justice Rand, in the case of *Boudreau v. The King* to which I have already referred, stated:

> It would be a serious error to place the ordinary modes of investigation of crime in a straitjacket of artificial rules; and the true protection against improper interrogation or any kind of pressure or inducement is to leave the broad question to the court. Rigid formulas can be both meaningless to the weakling and absurd to the sophisticated or hardened criminal; and to introduce a new rite as an inflexible preliminary condition would serve no genuine interest of the accused and but add an unreal formalism to that vital branch of the administration of justice.

It appears to me the position as to voluntary statements being the only ones admissible in evidence against the accused is clearly established at the present time. It would add nothing to the law of Canada to include them in an amendment to the Evidence Act.

The other proposal in the bill would require as a condition of the admissibility of a statement that it be made in the presence of counsel unless the accused or suspected person has waived his right to counsel. This, as the hon. member for Winnipeg North has pointed out, arises from the decisions made in the United States Supreme Court, culminating in the cases of *Escobedo v. Illinois*, reported in 378 U.S. at page 478, and *Miranda v. Arizona*, 86 SCR, page 1602.

• (4:40 p.m.)

The effect of these decisions has been to invalidate confessions made by accused persons when their counsel was not present. What we are talking about here is the right of an accused person who has been taken to a police station to insist that a lawyer be present during his interrogation. This proposal raises very important issues, some of which have been referred to by the hon. member for Peel South (Mr. Chappell). One of them is most certainly the availability of lawyers all over Canada who might be assumed to be readily on call at any time to attend a police station and remain there during the interrogation of accused persons.

Another problem that occurs to me is the difficulty of application of this procedure to particular offences. One that comes immediately to mind is that mentioned by the hon. member for Peel South—the important change which this Parliament made in the law last session permitting the use of breathalyzers for the detection of alcohol in accused persons and, further, making it an offence to refuse a breathalyzer test. It would appear to me that in this particular type of offence time is of the essence. The whole purport and intent of this important law would be lost if the proceedings were delayed while counsel was obtained.

Apart altogether from these considerations, it seems to me that we in this Parliament should not be too hasty in adopting a novel departure of this type in the law. We should recognize that the decisions of the United States Supreme Court have been the subject of much discussion in that country; indeed, they could be described as being greatly controversial. We must remember, in the words of one English judge, that "When a confession is well proved, it is the best evidence that can be produced".

The fact that the United States courts have ruled against the admissibility of confessions except when they were obtained in the presence of counsel has greatly disturbed public opinion in the United States. It is obvious from what one reads that not only law enforcement authorities but the public at large are concerned that people who really have voluntarily disclosed their connection with a crime are permitted to go free because counsel was not present in the police station at the time the confession was made. I believe that we in this Parliament should be very careful not to take steps to change the law and criminal procedure in a way that would not have wide acceptance by the majority of our fellow citizens.

Finally, I recognize, as others undoubtedly will, that the discussion in the United States does not run all one way. There are those who contend that the administration of justice there has not been unduly hampered by these new rules; that, indeed, the effect of these new rules has been to improve the quality of police work and crime detection. In my

submission, Mr. Speaker, it appears somewhat premature definitively to make a great change in our criminal law and procedure such as that envisaged in this bill without waiting a reasonable time to see how the new rules are in fact working out in the United States.

Mr. Orlikow: Mr. Speaker, I wonder whether I could ask the hon. member a question. I ask the hon. member, who I know has had a great deal of experience in the courts, whether he knows of cases of people accused of relatively serious crimes—crimes, let us say, for which they can be indicted—who have an income of more than $10,000 a year and have gone to court without a lawyer giving them all the protection they need.

Mr. Blair: Mr. Speaker, the hon. member is undoubtedly aware of the fact that the Canadian Bill of Rights states affirmatively that a person is entitled to counsel. This has been interpreted by the Supreme Court of Canada to mean that in any court proceeding an accused is entitled to have counsel.

I do not wish to infringe on the time, but in the course of his remarks my hon. friend referred to the offence of vagrancy, which is really poverty. This is a stated offence; it is not altogether a matter of procedure. He went on to say that he felt one person who had been accused might have done better had she had a lawyer. I should like to point out to my hon. friend that in Ontario, at any rate, under the present legal aid scheme duty counsel are now available in all magistrate's courts in the province and it is highly unlikely that a situation such as he described would happen again.

Mr. F. J. Bigg (Pembina): Mr. Speaker, the right to make a confession or a statement to the police has two sides to it. Presumably, this motion purports to protect the rights of the individual. I am afraid that sometimes, if the motion were put into law, it might work against the rights of the individual. I think particularly of cases involving children and, again, I am relying on my own personal experience. Where an offence has been committed against a child, the child will usually blurt out the truth the first time he comes in contact with someone who he thinks will help him. But often there is pressure from the parents, guardians or other people who should have been responsible for the child in the first place, people who should have protected him, people who themselves may well be responsible for the offence committed against the child, and in such cases it is very difficult to get to the truth of the matter.

Under British law, the burden of proving guilt is, of course, on the Crown. In many cases this burden on the Crown is a very onerous one indeed. It may be that in a case involving a child, the child himself is the only witness and the only possible proof of the crime is the statement of the child against the person who it is alleged has offended him. If any statutory hurdle is placed between the child and justice, I am sure that the hon. member who introduced the motion would be the first to say that it would be better to take a chance and leave things as they are. We have our courts and we have our judges. In every court I have been in the accused has been given the opportunity, if he thinks he is being treated injustly, to take the stand in his own defence. Certainly he has the right to speak, if not for himself then through a lawyer.

• (4:50 p.m.)

As the last speaker said, in Ontario a man is entitled to seek legal advice if he needs it. In a great many cases I think a person is just as well off if he defends himself and he is clearly innocent. I have known cases where I believe that if the accused person had taken the stand he might have cleared himself, but by the time the case became tangled up with legal jargon, and so on, the court became confused. From my experience in court I am not sure that a voluntary statement has had any effect in causing injustice. The difficulty, of course, is where the statement is involuntary. However, that raises another aspect. I think a look might be taken at our legal system to see whether a little more protection might be given to people who are bullied.

In cases involving the arrest of juveniles I believe there should be an official of the court into whose custody the child could immediately be placed. This person should rarely be the police officer who makes the arrest. It should be a social worker or similar person. Perhaps a young person who is arrested should be treated in the way in which a female person is treated: in that case a matron takes charge of the accused person. In my opinion there is no reason why a matron or a social worker could not be called immediately and be at the police station when the child was brought in. If the child were

turned over to such a person immediately, there would be no possibility of anyone saying the child had been under duress. If any statement made by a child were considered to be inadmissible in court because the child did not go through the formality of calling legal counsel, I believe in many cases this would be to the detriment of the child himself and certainly to the detriment of the administration of justice.

Mr. Douglas A. Hogarth (New Westminster): Mr. Speaker, I do not know what benefit there is in being the anchor man on a Friday afternoon. In any event, I would not want to proceed with my remarks this afternoon without first stating my profound admiration for the hon. member for Winnipeg North (Mr. Orlikow)—who has not had the benefit of or is otherwise not encumbered by a legal education—for bringing forth a bill which is so much involved with very difficult legal concepts.

I think I can express equal concern with him about the necessity of maintaining the standards of justice in Canada. I found that most of his observations were not directed in a sense to the question of the admissibility of confessions and statements, but to a large extent involved criticism of the courts in certain cases, or criticism of the police. In our society I do not believe there is any doubt that the public must always be watchful of the extent to which the police might abuse their powers, or the extent to which the courts might act against the true principles of justice.

With regard to the observation of the hon. member for Comox-Alberni (Mr. Barnett) about the breathalyzer test, I think that if he would review the debate which took place in the Justice Committee and this House he would find that the compulsory aspect of the breathalyzer test is quite different from the matter with which we are concerned today.

The bill before us is an attempt to curb police powers. It is an attempt to curb those powers by the introduction of the United States exclusionary rule of evidence which states that evidence illegally obtained cannot be admitted. We gave serious consideration to this rule during the hearings of the Committee on Justice when we were discussing the problems in respect of electronic surveillance.

I am diametrically opposed to the U.S. exclusionary rule being adopted in Canadian criminal jurisprudence. I am satisfied that our present rule, if properly applied, is the best available rule in this regard. The hon. member for Grenville-Carleton (Mr. Blair) quoted the rule. It has been quoted throughout the country for years in the famous words of Viscount Sumner. I do not intend to repeat what he said, but I have heard it quoted in courtrooms on many occasions when the learned judge has said that the principle is as old as Lord Hale.

Every time I hear that, I reflect on how old Lord Hale was at the time. In any event, in considering some aspects of the rule I think we should also consider what might be the result if this bill were passed. In the first instance, the history of the rule is founded upon centuries of experience in the British courts, that if a person who is about to be charged with a criminal offence—I think it should be noted that the real change in the law comes only after the man is in custody—is threatened by the policy with physical harm, or an inducement is held out to him by way of promise of favour, the concern of the courts is that what he says by way of confession might not be true because he would rather confess to a crime than suffer the physical harm to which he would be subjected.

I think it fair to state that many criminal lawyers today have grave doubts about the background and the substance of this rule; that is to say, that he would necessarily say things that were not true. But I think we should bear in mind the unpredictability of the human mind, the natural catharsis of confession, and the fact that people will often confess to crimes they have never committed whether they are threatened with regard to them or whether or not an inducement is held out.

Bearing all these matters in mind, I think the rule we have should be maintained without variation; if for no other reason, just as a matter of public policy to make certain we have some control over police powers when it comes to threatening an accused person or offering him promises of favour. I think it should principally be made clear that the rule applies solely to statements which are inculpatory. All of us who have practised in criminal courts have seen many people convicted as a result of making false statements which were not inculpatory but were later proven to be false.

One comment I should like to make concerns the definition of "statement" in this bill. A statement is defined as an admission, orally or in writing, made at any time by a person being interrogated about a crime or charged with a crime—

The Acting Speaker (Mr. Béchard): Order. The hour provided for the consideration of private members' business has now expired.

At 5 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Monday, March 2, 1970

The House met at 2 p.m.

ROUTINE PROCEEDINGS

PARLIAMENTARY SALARIES AND EXPENSES

APPOINTMENT OF ADVISORY COMMITTEE

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, the government has decided to appoint an Advisory Committee on Parliamentary Salaries and Expenses. This committee will be asked to undertake an independent and impartial review of the financial arrangements made for members of both chambers of Parliament, including the Speakers, ministers, and other members receiving additional emoluments for special duties. It will be asked to report any immediate changes it deems appropriate, as well as a procedure whereby future revisions may be undertaken from time to time.

The membership of the committee reflects experience from a number of different viewpoints in the community. The Chairman will be Mr. T. N. Beaupré, the President of Domtar Limited, and a former Assistant Deputy Minister of Defence Production. The other members will be Mr. Arthur Maloney, the former Member of Parliament for Toronto Parkdale, and Mr. Marc Lapointe of Montreal, who has been active on behalf of organized labour in industrial relations matters.

In recent years there has been a good deal of discussion of the question of the remuneration of elected officials. This is not a problem that has been limited to the Canadian Federal Parliament. In recent months the legislatures of both Ontario and Quebec have increased their indemnities. In the United Kingdom and the United States, however, legislative remuneration was revised only after independent commissions had examined conditions and all relevant considerations, and had reported.

The government believes that if any revision in the financial provisions is called for, such revision should be based upon an impartial analysis of conditions by persons outside elected ranks, experienced in levels of compensation in other sectors of the community. The people of Canada, no doubt, wish their representatives to be provided for in a manner that will enable them to devote themselves principally to public service. It is hoped that the report of this advisory committee will provide a better understanding of the financial arrangements necessary to a proper discharge of these duties.

• (2:10 p.m.)

Mr. G. W. Baldwin (Peace River): Mr. Speaker, my comments will be very brief. I mention, of course, the fact that despite what may be done by a commission outside the House, in due course it is for the government to initiate and for Parliament to deal with any proposals which may be made. This, of course, is as it must be.

I for one have always regarded with some approval the system which has prevailed in the United States for some time where a commission of nine members, three appointed by the President, two each by the Chief Justice of the Supreme Court, by the Vice-President as presiding officer of the Senate, and by the Speaker of the House of Representatives, from outside the ranks of the congressional group, examine in an objective way and without being subject to any accusations of self-interest, the whole issue of the salaries and other benefits which must be accorded to those involved in the democratic life of that country.

I think something of this nature is long overdue and so far as I can see, Mr. Speaker, it is the only way there can be any degree of acceptance throughout the country for a periodic review of the issues raised by the President of the Privy Council.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, although the President of the Privy Council let me know about an hour ago that he would be making this statement, there was not enough time for me to get a definitive decision on the part of all the members of our party. In other words, I wish to protect the position of any of our members who may wish to support this proposal. But I wish to make it clear, speaking

for myself and for all of my colleagues who are here today, that we thoroughly disapprove of this course of action—

Some hon. Members: Oh, oh!

Mr. Knowles (Winnipeg North Centre): —being taken at this time. I knew there would be unhappiness in the House over that kind of statement, Mr. Speaker, but I suggest there are times when we should pay some attention to our conscience.

As for the proposal that the question of the level of salaries of Members of Parliament should be decided by an outside or independent commission—yes, that is a good idea and we agree with it in principle. But it is one thing, Mr. Speaker, to propose an independent commission and to say to that commission, "any recommendation you make shall become effective only after the next election," and another thing entirely to ask that commission "to report any immediate changes it deems appropriate."

Some hon. Members: Hear, hear!

Mr. Knowles (Winnipeg North Centre): I hear some "hear, hears" approving the latter course, Mr. Speaker. But we do not approve. It is clear to us that this proposed committee is simply a ruse, a device, to get an increase in salary for Members of Parliament during the lifetime of this Parliament and we, Mr. Speaker, are definitely opposed to that being done.

I remind hon. members, if they need to be reminded, that we are living in a period when restraint is being preached day after day. It is being preached so far as workers are concerned and it is even being preached mildly to executives. Surely this is not the time for us to disregard that restraint and adopt a device that results in an increase in our own indemnities. I also remind hon. members that in this country today there are still many thousands of people living below the poverty line for whom we should be doing something rather than taking action on our own behalf.

The other point I wish to make, Mr. Speaker, is that Parliament for many years has been on trial in the minds of the people of this country. It is on trial today. I do not think it will improve the image of Parliament in the minds of the people of this country for Parliament, at a time when others are being asked to tighten their belts and at a time when restraint is being preached, to set up a committee which will have the effect of increasing the pay of hon. members, and no doubt any proposal brought in would be for a substantial increase.

I suppose, since the appointment of this committee has been announced, it is too late to ask the government to rescind it, but I wish it would do so. I suppose it is too late to ask for a reversal of this course of action. But I plead with the government with respect to at least one point. It should make clear to the committee, to Parliament and the country that if any increases are agreed to they will not come into effect in this Parliament, but only after the next election.

Some hon. Members: Hear, hear.

[*Translation*]

Mr. Romuald Rodrigue (Beauce): Mr. Speaker, I have a few brief remarks to make on the announcement just made by the President of the Privy Council in connection with the appointment of a committee to look into parliamentary indemnities.

I should like to ask the President of the Privy Council to take this opportunity to have the committee also study the working conditions of the members of Parliament. It is now quite urgent to supply them with tools to enable them to give the people the service they expect from their representatives.

I hope the committee will not be sitting too long in order not to use up whatever allowances it might suggest.

I also wish that, in the near future, other bodies will be set up to study pensioners' security benefits, together with welfare and family allowances.

[*English*]

BROADCASTING ACT

AMENDMENT RESPECTING INFORMATION RELATING TO POLITICAL PROGRAMS

Mr. J. Edward Broadbent (Oshawa-Whitby) moved for leave to introduce Bill C-191, to amend the Broadcasting Act.

Mr. Knowles (Winnipeg North Centre): Explain.

Mr. Broadbent: Mr. Speaker, the purpose of the bill is to enable the public of Canada to have access to details of expenditures with

respect to political broadcasts during election campaigns. It will enable the people to find out how much is spent on broadcasting advertising, for whom it is spent and by whom. In my opinion such a provision should be a minimal requirement in a democracy.

Motion agreed to, bill read the first time and ordered to be printed.

FEDERAL COURT BILL

MEASURE RESPECTING CONSTITUTION, JURISDICTION, ADMINISTRATION, ETC.

Hon. Donald S. Macdonald (for the Minister of Justice) moved for leave to introduce Bill C-192, respecting the Federal Court of Canada.

Motion agreed to, bill read the first time and ordered to be printed.

• (2:20 p.m.)

INDUSTRIAL RESEARCH AND DEVELOPMENT INCENTIVES ACT

AMENDMENTS RESPECTING ASSOCIATED CORPORATIONS, RECOVERY OF GRANTS, CONTENTS OF AGREEMENTS, ETC.

Hon. Donald S. Macdonald (for the Minister of Industry, Trade and Commerce) moved for leave to introduce Bill C-193, to amend the Industrial Research and Development Incentives Act.

Motion agreed to, bill read the first time and ordered to be printed.

OFFICIAL LANGUAGES ACT

APPOINTMENT OF KEITH SPICER AS COMMISSIONER

On the order: Government notices of motions:

February 27—The Prime Minister—The following proposed motion:—That, in accordance with section 19 of an act respecting the status of the official languages of Canada, Chapter 54, Statutes of Canada, 1968-69, this House approves the appointment of Keith Spicer, Esquire, as Commissioner of Official Languages of Canada.

Mr. Speaker: Pursuant to section 2 of Standing Order 21 this government notice of motion is transferred to and ordered for consideration under government orders later this day.

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

DIRECTORS AND OFFICERS, EXPORT DEVELOPMENT CORPORATION

Question No. 154—**Mr. Saltsman:**

1. Who are the directors of the Export Development Corporation, and what are their annual salaries?

2. Who are the principal officers of the Export Development Corporation, and what are their annual salaries?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Export Development Corporation states that: 1. The directors of Export Development Corporation are: Mr. J. H. Warren, Chairman, Deputy Minister, Department of Industry, Trade and Commerce. Mr. H. T. Aitken, President, Export Development Corporation. Mr. L. C. Audette, Chairman, Tariff Board. Mr. R. B. Bryce, Deputy Minister, Department of Finance. Mr. A. G. Kniewasser, Senior Assistant Deputy Minister, Department of Industry, Trade and Commerce. Mr. J. C. Langley, Assistant Under-Secretary of State for External Affairs. Mr. Louis Rasminsky, Governor of the Bank of Canada. Mr. Maurice Strong, President, Canadian International Development Agency. Mr. A. F. Mayne, President, A. F. Mayne & Associates Limited. Mr. P. R. Sandwell, President, Sandwell & Co. Ltd. Mr. R. D. Southern, President, Atco Industries Ltd. Mr. P. H. Leman, President, Aluminum Co. of Canada Ltd.

In the case of directors appointed from among persons employed in the Public Service of Canada, there are no salaries.

In the case of directors not appointed from among persons so employed, the remuneration is to be fixed by by-law, which, when approved, must be laid before Parliament.

2. The principal officers of Export Development Corporation are: H. T. Aitken, President; T. Chase-Casgrain, Vice President; V. L. Chapin, Vice President; S. A. Gillies, Secretary.

In the case of the President, the salary is at the level of DM 1 within the range of $28,000—$33,000; in the case of the other officers it has not been customary for Parliament to require Crown corporations to give such information, which is of an internal management nature.

Questions

CIDER PRODUCTION, IMPORTS AND EXPORTS

Question No. 412—**Mr. Fortin:**

1. What has been the production of cider in Canada in each of the last five years?

2. What have been the imports of cider into Canada in each of the last five years?

3. What have been the exports of cider from Canada in each of the last five years?

[*Translation*]

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): 1. In 1964, 1965 and 1966, the Dominion Bureau of Statistics published figures for shipments under the classification of "cider". However, this was later discovered to be in error and, in fact, included a combination of cider and apple juice.

Data on cider is confidential under the secrecy provision of the Statistics Act.

2. No separate import statistics are available on cider.

3. No separate export statistics are available on cider.

[*English*]

FEDERALLY SUBSIDIZED HOUSING, OTTAWA-CARLETON

Question No. 457—**Mr. Coates:**

Have persons renting federaly subsidized houses in the constituency of Ottawa-Carleton been informed by the rental manager of the firm responsible for rentals that they must produce a 1968 T-4 slip for all working members of the family and a copy of their 1968 income tax return before the company in question will agree to re-leasing the premises in question?

Hon. Robert K. Andras (Minister without Portfolio): Agreements between a federal-provincial partnership and a housing authority for rental housing projects financed under Section 35A of the National Housing Act, between Central Mortgage and Housing Corporation and a provincial government for subsidies for low rental housing projects under Section 35E of the National Housing Act, and between the Corporation and an entrepreneur sponsoring a low rental project under Section 16, require periodic verification of the income of tenants in order that the low rental character of the project may be maintained. Any acceptable evidence of income may be supplied, such as a declaration from an employer, a statutory declaration, or a copy of the tenant's T-4 slip.

Tenants in federally subsidized rental projects under the administration of the Ottawa Housing Authority have been requested to submit a copy of their 1968 T-4 slips in order that the Authority might verify their income. The Authority does not demand a copy of the 1968 income tax return but will accept it in lieu of the T-4 slip. There are no other federally subsidized rental projects in Ottawa.

Tenants in low income rental projects financed under Section 16 may submit any acceptable evidence they wish to support their application for continuous leases.

PUBLIC SERVICE POSITIONS ELIMINATED IN DESIGNATED REGIONS

Question No. 640—**Mr. McGrath:**

1. Of the positions eliminated in the Public Service following the government's austerity program, how many have been eliminated in regions designated under the Regional Development Incentives Act?

2. How many positions have been eliminated in the designated regions in (a) Newfoundland (b) Nova Scotia (c) New Brunswick (d) Prince Edward Island (e) Eastern Quebec (f) Northwestern Quebec (g) Northern Ontario (h) Manitoba (i) Saskatchewan (j) Alberta (k) British Columbia?

3. What is the unemployment rate in each of the regions listed for the month of November, seasonally adjusted and seasonally unadjusted, as closely as the rates for each region can be estimated from National Employment Service Districts?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): 1. 680.

2. (a) 53; (b) 163; (c) 112; (d) 16; (e) and (f) 74; (g) 44; (h) 195; (i) 8; (j) 12; (k) 11.

3. Unemployment estimates are not available for geographic areas smaller than the provinces. The estimates that are available are as follows:

Unemployment Rates, Canada and Regions
November, 1969

Region	Seasonally Adjusted	Not Adjusted for Seasonality
Canada	5.1	4.4
Atlantic Region	7.9	6.2
Newfoundland		8.9
Nova Scotia		4.7
New Brunswick		6.3
Prince Edward Island		5.3
Quebec	7.4	6.3
Ontario	3.4	2.7
Prairie Region	3.2	3.1
Manitoba		2.2
Saskatchewan		3.8
Alberta		3.2
British Columbia	5.7	5.6

BOARD OF DIRECTORS, INDUSTRIAL DEVELOPMENT BANK

Question No. 774—**Mr. Fortin:**

1. Among the members of the Board of Directors of the Industrial Development Bank, how many are (a) English-speaking (b) French-speaking (c) bilingual?

2. What are the salaries of the members of the Board of Directors?

3. How many days of meetings did the directors hold during the past fiscal year?

4. What is the amount of the loans made by the IDB in (a) Quebec (b) Ontario?

Hon. E. J. Benson (Minister of Finance): 1. In addition to the Governor of the Bank of Canada, the Deputy Governor of the Bank of Canada, the Deputy Minister of Finance and the Deputy Minister of Industry, Trade and Commerce, there are 12 directors appointed by the Minister of Finance with the approval of the Governor in Council. There are two of these Directors whose mother tongue is French.

2. Section 5(3) of the Industrial Development Bank Act provides that "Directors other than the Governor and Deputy Governor of the Bank of Canada, the Deputy Minister of Finance and the Deputy Minister of Industry, Trade and Commerce are entitled to receive for attendance at meetings of the Board and meetings of the Executive Committee such fees as may be fixed by the by-laws of the Bank, but the aggregate amount of the fees paid to all Directors exclusive of expenses shall not exceed twenty thousand dollars in any fiscal year."

Pursuant to P.C. 1967-824, published in Part I of the Canada Gazette, May 13, 1967, the Governor in Council, on the recommendation of the Minister of Finance, pursuant to Section 11 of the Industrial Development Bank Act, approved By-law 5 of the Industrial Development Bank made by the Board of Directors on April 3, 1967, as follows:

"Subject to the provisions of Section 5, subsection 3, of the Industrial Development Bank Act, the fee to be paid to a Director for attendance at Board meetings shall be $100 and the fee to be paid to the Director who is a member of the Executive Committee but not a member of the Executive Committee of the Bank of Canada for attendance at meetings of the Committee shall be $2,000 per annum plus $150 per meeting plus $50 for each day in excess of one day for which such Director is absent from his place of residence in order to attend a meeting of the Executive Committee."

No salary or fee is paid to the Governor, Deputy Governor, Deputy Minister of Finance or Deputy Minister of Industry, Trade and Commerce by the Industrial Development Bank.

3. The Board of Directors met seven times (7 days) in fiscal 1969.

4. The Annual Report of the Industrial Development Bank for the year ended September 30th, 1969, sets out the number and amount of loan approvals by type of business, by size and by province on Pages 14 and 15.

	Fiscal 1969	
	Number	Amount
(a) Quebec	541	$34,607,000
(b) Ontario	863	45,003,000

SALES OF GOODS TO U.S. UNDER DEFENCE-SHARING AGREEMENT

Question No. 792—**Mr. Nystrom:**

1. What were the total sales of military and non-military goods to the United States under the Defence-Sharing Agreement in 1967, 1968, 1969?

2. Do all exports to the United States of a military nature come under the Defence-Sharing Agreement and, if not, what was the value of exports of a military nature not under the Defence-Sharing Agreement in 1967, 1968, 1969?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): 1.

	1967	1968	1969
	(Millions Cdn. $)		
(i) The value of military goods sold to the U.S. under the Canada/U.S. Defence Production Sharing Program is	307.7	320.0	299.8
(ii) The value of non-military goods sold to the U.S. under the Canada/U.S. Defence Production Sharing Program is	nil	nil	nil

2. (i) All exports which are classified as military qualify for inclusion under the production sharing program. (ii) The production sharing program does not include "off-the-self" general procurement, construction, basic raw materials, fuels, lubricants and services such as transportation/rentals.

DEPARTMENT OF ENERGY, MINES AND RESOURCES—NATIONAL ADVISORY COMMITTEE

Question No. 841—**Mrs. MacInnis:**

1. What is the purpose and functions of the national advisory committee on petroleum attached to the Department of Energy, Mines and Resources?

2. What criteria was used in the selection of members for this committee?

3. Who are the members of the committee?

4. Are there any consumer representatives on this committee and, if not, for what reason?

Mr. R. J. Orange (Parliamentary Secretary to Minister of Energy, Mines and Resources): 1. The purpose of the National Advisory Committee on Petroleum is to further broaden the range of consultation available to the Minister. The Committee's functions include assistance in developing factual appraisals of specific circumstances or advising on the validity of appraisals, bringing to bear on these matters accumulated experience in specific sections of the Canadian petroleum industry.

2. Members were selected on the basis of their knowledge of the petroleum industry and their recognized standing as leaders in the industry.

3. The members of the Committee are: E. C. Bovey, Harry Bridges, A. F. Campo, James Kerr, J. McAfee, D. E. Mitchell, A. R. Nielsen, L. J. Richards, G. E. Roark, and W. O. Twaits.

4. There are no consumer representatives because this particular Committee has been established to provide the Minister with expert technical knowledge in respect to production, markets and transportation problems regarding the petroleum industry. The interest of consumers would be protected and considered in any policy decisions made by government.

PEI—FEDERAL ASSISTANCE WITH IMPLEMENTATION OF MEDICARE

Question No. 979—**Mr. McQuaid:**

Apart from the usual cost-sharing, has the Government of Canada committed itself to assisting the Government of Prince Edward Island with the implementation of a medicare program?

[Mr. Pepin.]

Hon. John C. Munro (Minister of National Health and Welfare): Apart from the usual cost-sharing, the Government of Canada has made no commitment to assist the Government of Prince Edward Island with the implementation of a medical care program, other than for the usual professional and consultative services available to all provinces.

FINANCIAL CONTRIBUTIONS FOR PORTNEUF VOCATIONAL TRAINING SCHOOLS

Question No. 1,007—**Mr. Godin:**

1. What was the federal government's financial contribution to the schools offering vocational training that were built in Portneuf between 1961 and 1969 at the following places: Ancienne-Lorette, Donnacona (2), Neufchatel, St-Émile, St-Raymond, Charlesbourg, Loretteville?

2. In the same constituency, what will be the contribution in the case of approved and under study projects?

[*Translation*]

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): 1. The actual federal contributions during the period of April 1, 1961 to January 30, 1970, which were paid towards the constructing and equipping of schools offering vocational training in Ancienne-Lorette, Donnacona (2), Neufchatel, St. Émile. St. Raymond, Charlesbourg (2) and Loretteville in Portneuf constituency amounted to $7,655,631.82.

2. In the same constituency it is estimated the federal government will contribute an additional $5,427,000 towards approved and under study projects.

[*English*]

CANADA PENSION PLAN

Question No. 1,047—**Mr. Robinson:**

Will the federal government consider the feasibility of increasing the Canada Pension Plan so that rival pension plans will not be deemed necessary?

Hon. John C. Munro (Minister of National Health and Welfare): The Canada Pension Plan, when taken in association with the Old Age Security Act, was designed to provide a basic amount of protection for the contingencies of old age, disability and death. It is assumed that the Plan will be supplemented in various ways, for example, by occupational pension plans, registered retirement savings programs, and the various ways in which people may obtain additional protection. As indicated in the Speech from the Throne, the Government is reviewing all its social security programs and plans to issue a White Paper on Social Security.

METRO-TORONTO—REGIONAL UNEMPLOYMENT INSURANCE OFFICES

Question No. 1,050—**Mr. Broadbent:**

1. Were all Regional Unemployment Insurance Offices in Metro-Toronto closed down and, if so, for what reason?

2. Was a new single Unemployment Insurance Office for Metro-Toronto located in the West End of the City at 2077 Dufferin Street and, if so, for what reason?

3. How many incoming telephone calls is the switchboard at the Dufferin Street Office able to accommodate at the same time?

Hon. Bryce Mackasey (Minister of Labour): 1. The regional office of the Unemployment Insurance Commission for the Ontario region was not closed but transferred from Toronto to Belleville. This was done in the interest of economy and overall efficiency of the Commission.

2. The Commission was required to temporarily relocate its Metro-Toronto office from 25 St. Clair Avenue to 2077 Dufferin Street. When suitable premises are ready, Metro-Toronto will be serviced by two offices, one to be located on Islington Avenue at the end of the Subway and the second at 25 St. Clair Avenue.

3. There are 16 phones manned by 16 employees to handle incoming enquiries at 2077 Dufferin Street.

CHIBOUGAMAU-LAC ALBANEL, QUEBEC—ROADS TO RESOURCES

Question No. 1,063—**Mr. Laprise:**

Under the joint federal-provincial plan for the construction of access roads to natural resources (a) on what date was the Chibougamau-Lac Albanel road completed (b) over what distance, in miles (c) how much did the road cost (d) what was the federal government's contribution?

Mr. R. J. Orange (Parliamentary Secretary to Minister of Energy, Mines and Resources): (a) and (b): Three roads, or portions of roads, were constructed under the Roads to Resources Program, Quebec, two of these in the Chibougamau area:

(1) Lake Waconichi to Lake Albanel Road—this road is described in the agreement between the Government of Canada and the Government of the Province of Quebec as follows: "The construction of 95 miles of new road from the southerly tip of Lake Waconichi to a point a few miles north of the 51st parallel on the eastern shore of Lake Albanel".

(2) Chapais-Desmaraisville Road—described in the agreement as follows: "The construction of a 30-mile section of the road from a point 14.6 miles east of Desmaraisville to a point approximately 27 miles west of Chapais".

Final payments under the Roads to Resources Program were made to the Province of Quebec in the fiscal year 1966-67. Progress records at that time indicate that approximately 179 miles of the originally planned 248 miles were completed. There is no record of progress beyond that date.

(c) and (d): Under the Roads to Resources Agreements, the Government of Canada paid 50 per cent of approved construction costs up to a limit of $7.5 million per province. The Province contributed a like amount. In the Province of Quebec the Federal contribution to the Lake Waconichi and Lake Albanel Road was $3,619,952 and to the Chapais-Desmaraisville Road $1,494,685. Provincial costs beyond the expiry date of the agreement, if any, are not known. (The balance of the federal share under the Quebec Agreement was paid on construction of the Amos-Matagami Road—$2,385,363.)

PERMISSIBLE LEVEL OF DDT IN UNITED STATES

Question No. 1,070—**Mr. Orlikow:**

1. What was the permissible level of DDT in United States grapes imported to Canada before and after January 1, 1970?

2. In enforcing the standards of permissible DDT in imported U.S. grapes after January 1, 1970 (a) how frequently are tests being conducted (b) by whom (c) by what methods?

3. What privately-owned laboratories conducted testing of foodstuffs for payment by the Government of Canada during 1968 and/or 1969?

Hon. John C. Munro (Minister of National Health and Welfare): 1. The permissible level of DDT on United States grapes before January 1, 1970, was seven parts per million. On January 1, 1970, the level was reduced to one part per million.

2. (a) Only one lot of U.S. grapes has been assayed for DDT since January 1, 1970. No DDT was found. (b) The analysis was carried out in the Toronto Laboratories of the Food and Drug Directorate, Department of National Health and Welfare. (c) A gas chromatographic method of analysis was used.

3. No privately-owned laboratory carried out analyses of foodstuffs for payment on

behalf of the Food and Drug Directorate, Department of National Health and Welfare, during 1968 or 1969.

PENITENTIARIES—FULL-TIME AND PART-TIME HEALTH PERSONNEL

Question No. 1,071—**Mr. Orlikow:**

How many of the psychologists, psychiatrists, physicians and dentists employed by the federal government work full-time at penitentiaries and, of those who work part-time, how many hours per week does each work in the penitentiaries?

Hon. G. J. McIlraith (Solicitor General):

	Full-time	Part-time	Contract	Total
Psychologists	13		10	23
Psychiatrists	7	1	15	23
Physicians	10	1	9	20
Dentists	6	3	5	14

Part-time Psychologists work 15 hours per week.

Part-time Psychiatrists work 15 hours per week.

Part-time Physicians work 15 hours per week.

Part-time Dentists work 15 hours per week.

Contract Personnel work four half days per week.

PENITENTIARIES—ROLE OF SUPERINTENDENT

Question No. 1,088—**Mr. Orlikow:**

1. What role does the superintendent of a federal penal institution play in the selection and supervision of staff?

2. What responsibility and authority does the superintendent have?

3. What authority is delegated to lower levels by the superintendent?

Hon. G. J. McIlraith (Solicitor General): 1. Since September 11, 1969, the authority for the selection of staff has rested with the Public Service Commission of Canada under the Public Service Employment Act. Wardens or Superintendents may be invited to sit as members of Selection Boards.

2. The institutional head is responsible for: (a) the whole of the organization, safety and security of his institution, including the correctional training of inmates confined therein, and (b) the discipline of the institutional staff and the training of staff in accordance with directives.

(Penitentiary Service Regulations, Section 1.12 (1)).

3. Unless otherwise provided by law, the institutional head may delegate to officers who are his immediate subordinates, authority over all matters of routine or of minor administration, but he shall give his personal attention to: (a) matters of general organization and policy; (b) important matters requiring his personal attention and decision, and; (c) the general control and supervision of the duties that he has allocated to his subordinates.

(Penitentiary Service Regulations, Section 1.12 (2)).

FEDERAL PARTICIPATION IN COST-SHARING PROGRAMS FOR HOMES FOR THE AGED

Question No. 1,099—**Mr. Knowles (Winnipeg North Centre):**

Have there been any submissions from provincial governments requesting federal government participation in cost-sharing programs for nursing home care of the aged and, if so (a) which provinces have made such requests (b) what has been the response of the federal government?

Hon. John C. Munro (Minister of National Health and Welfare): Under the provisions of the Canada Assistance Plan the federal government is able to share in the cost to the provinces and to municipalities in provinces, of care for needy persons in homes for special care. These include, among others, homes for the aged and nursing homes. All provinces have taken advantage of these provisions.

POST OFFICE—SPEEDING UP OF MAIL DELIVERIES IN WESTERN CANADA

Question No. 1,117—**Mr. Southam:**

1. What progress has been made in speeding up mail deliveries across provincial boundaries in Western Canada?

2. Is it the government's intention to establish a more stringent system of tying delivery services to the time of posting?

Hon. Eric W. Kierans (Postmaster General and Minister of Communications): 1. Teams have been working in Western Canada to improve mail service generally across the country and indications are that considerable success has been achieved.

2. The Post Office Department expects to be in a position to be able to publish a list of posting times ensuring a high degree of probability of next day delivery in major cities.

RECEPTION PROCEDURE, KINGSTON PRISON FOR WOMEN

Question No. 1,133—**Mr. Orlikow:**

1. What is the reception procedure for inmates at the Prison for Women in Kingston?

2. Where do they go after reception and how is this determined?

3. (a) On what basis do inmates go to the new building (b) are new inmates, particularly first offenders, kept apart from inmates who have a long record?

4. How are behaviour problems met?

Hon. G. J. McIlraith (Solicitor General): 1. The reception procedure requires that the inmate be:

(a) Photographed and fingerprinted; and valuables, money, etc. are documented.

(b) Assigned a cell in the reception area.

(c) Assessed psychologically, i.e. Minnesota Multiphasic Personality Inventory, Maudsley Personality Inventory, Porteus Maze Test, and Revised Beta Examination.

(d) Assessed by the psychiatrist.

(e) Assessed by the supervisor of education to determine academic and vocational needs.

(f) Assessed by the medical doctor to determine health and treatment that might be indicated.

(g) Interviewed by the visiting and correspondence officer to determine with whom she wishes to correspond and to have visit.

(h) Interviewed by the Assistant Superintendent (Supplies and Services) regarding clothing issues.

(i) Interviewed by senior staff members regarding matters of institutional welfare.

(j) Interviewed by guidance officer under the supervision of the social worker where a full scale case history is compiled.

(k) Assessed by appropriate chaplain regarding religious matters.

The inmate then appears personally before a classification board. This board consists of the senior members of the inmate training staff. A training program designed to develop and rehabilitate the inmate is decided upon and placed in action. It is also decided at this board whether the inmate should be assigned to the new wing or elsewhere. This reception procedure takes place within the first week of admission.

2. Following the orientation period, a training program designed to develop and rehabilitate the inmate is decided upon and the inmate is given a work training assignment accordingly. Living accommodation is also decided at this time. These decisions are made by the classification board in light of the orientation assessment set out in Part 1 above.

3. (a) The criteria for accommodating in the new building is expressed in the following questions:

(i) Is the inmate a first offender?

(ii) Is she making, or is she likely to make a reasonable effort to reform and participate in a training program?

(iii) What is her moral attitude to other inmates?

(iv) Does she appear to be mature and responsible enough to live in an honour type of environment without interfering with or obstructing those inmates who are well motivated and interested in self improvement.

(b) Yes, so far as physical limitations of the institution permit.

4. The inmate is seen individually in a counselling session where the problem and causative factors are discussed. In many cases the problem is resolved on this basis. However, in more serious cases, after counselling, the problem is referred to a psychiatrist.

PSYCHOLOGICAL EFFECTS OF SOLITARY CONFINEMENT

Question No. 1,135—**Mr. Orlikow:**

1. Are the senior officials of the Solicitor General Department and prison staff at the Prison for Women at Kingston familiar with studies of psychological effects of solitary confinement?

2. Are special efforts made to maintain close contact with inmates during their short stay in solitary confinement such as those used at Ontario Provincial Institutions for women?

3. What provision is made at Kingston to help the person avoid the psychological effects of complete isolation?

Hon. G. J. McIlraith (Solicitor General): 1. Yes.

2. Supervision and control is exercised as set out in answer to Part 10 of Question 1,134.

3. The inmate at the Prison for Women is permitted to continue, or to take up, academic studies under educational staff supervision. Hobby craft and games (single person participation) are also available as is reading material.

MENTAL AND PHYSICAL TREATMENT FACILITIES, PRISON FOR WOMEN, KINGSTON

Question No. 1,136—**Mr. Orlikow:**

What treatment facilities are available for inmates who are ill (a) physically (b) mentally, at the Prison for Women at Kingston?

Hon. G. J. McIlraith (Solicitor General): Complete and comprehensive treatment facilities are available for inmates who are either (a) physically ill or (b) mentally ill.

(a) Medical and dental facilities are available through the Canadian Forces Hospital at Barriefield and through the Regional Dental Laboratory. Additionally, inmates may see voluntarily a general practitioner three times a week.

(b) Mentally ill inmates are treated in accordance with Section 19 of the Penitentiary Act. If certified as mentally ill, patients are admitted to a mental hospital. Emotionally disturbed inmates, who are not certified as mentally ill, are handled by three part-time psychiatrists, a bilingual psychologist, and a classification officer.

USE OF HANDCUFFS, PRISON FOR WOMEN, KINGSTON

Question No. 1,137—**Mr. Orlikow:**

1. Under what conditions are handcuffs used on inmates at the Prison for Women at Kingston?

2. In each of the past three years, on how many occasions were handcuffs used on inmates, and in how many cases were handcuffs used on more than one occasion on any inmate?

Hon. G. J. McIlraith (Solicitor General): 1. None.

2. Nil.

KINGSTON PRISON FOR WOMEN—CLOTHING WORN BY INMATES ON OUTSIDE TRIPS

Question No. 1,138—**Mr. Orlikow:**

What kind of clothing does an inmate at the Prison for Women at Kingston wear for trips outside of the building while still serving sentence, i.e. to court, to see a child?

Hon. G. J. McIlraith (Solicitor General): Inmates of the Prison for Women at Kingston, when on temporary absence from the institution whether for appearance in court, to see a child, or otherwise, are permitted to wear normal street attire. If, for any reason, their personal clothing is unsuitable appropriate street apparel is provided.

BAIL CRITERIA

Question No. 1,163—**Mr. Beaudoin:**

What *criteria* govern the setting of the amount of bail required in Canadian courts?

Hon. John N. Turner (Minister of Justice): Criteria governing the setting of the actual amount of bail are not set out in legislation. The decision as to what is reasonable bail depends on the circumstances of each case, but a number of leading cases setting out the principles to be followed in regard to bail are considered in the recent case of *Regina v. Moses*, reported in the Criminal Reports, New Series, Volume 7, p. 277, and in the Annotation to that case at p. 282.

*FRENCH LANGUAGE RADIO AND TV IN NOVA SCOTIA

Question No. 1,166—**Mr. McCleave:**

When is it anticipated that the French language radio and television service by CBC will be available in Nova Scotia?

Mr. Robert Stanbury (Minister without Portfolio): The CBC informs me that French language television network service is currently available from the CBC's station CBFCT in Chéticamp. A new CBC station at Yarmouth will begin operations within the next few months and the corporation has plans for further television development at Halifax, Mulgrave and Sydney. CBC radio low power relay transmitters are located at Digby, Meteghan, Pomquet, Quinan, Wedgeport, Weymouth and Yarmouth. Others are planned for Arichat, Belle Cote and Chéticamp.

SAINT JOHN, N.B.—TERMINATION OF EMPLOYMENT OF VETERANS AFFAIRS EMPLOYEES

Question No. 1,170—**Mr. MacRae:**

Of the twelve employees of the Department of Veterans Affairs in Saint John who were given notice of termination of employment and have not been reassigned, what steps are being taken to find employment for these valuable employees of the government service?

Hon. Jean-Eudes Dubé (Minister of Veterans Affairs): As for all other employees of the Department of Veterans Affairs, who have been declared surplus across the country and who have not been found alternate employment as yet, the department itself with all its resources together with other agencies of the Government such as the Public Service Commission and the Canada Manpower Centres are actively and continuously engaged in seeking positions both within and outside the Public Service to which these employees could be appointed.

TOBACCO SUBSIDY—1960 TO 1969

Question No. 1,191—**Mr. Robinson:**

What was the total subsidy paid to tobacco producers during each of the years 1960 to 1969 inclusive?

Hon. H. A. Olson (Minister of Agriculture): No annual subsidy was paid during the period to tobacco producers, however, in 1967-68, a

grant was made to the Ontario Flue Cured Tobacco Growers Marketing Board in the amount of $141,865 in respect of commitments incurred pertaining to the sale or disposal of the 1961 Tobacco Crop.

VETERANS AFFAIRS—INCREASE IN FEES FOR PART-TIME MEDICAL STAFF IN SAINT JOHN, N.B.

Question No. 1,207—**Mr. MacRae:**

Is the part-time medical staff employed by the Department of Veterans Affairs in Saint John, New Brunswick, to receive an increase in fees on April 1, 1970 and, if so, of what percentage?

Hon. Jean-Eudes Dubé (Minister of Veterans Affairs): Fees for part-time medical staff at Saint John, N.B. are currently under detailed study. The amount of fees to be paid effective April 1, 1970 will be determined on completion of the study. It is expected that a decision will be reached in the very near future.

SUBSIDY TO POTATO PRODUCERS—1960-1969

Question No. 1,235—**Mr. Robinson:**

What was the total subsidy paid to potato producers during each year 1960 to 1969 inclusive?

Hon. H. A. Olson (Minister of Agriculture): In so far as the Production and Marketing Program is concerned, payments made during the fiscal years 1959-60 to 1969-70 are as tabulated below:

Fiscal Year	Payments to Producers to Stabilize the Price of Potatoes	Potato Warehouse Construction Assistance	Contribution to Prince Edward Island due to fusarium rot*	Total
1959–60	nil	$ 18,000		$ 18,000
1960–61	nil	100,000		100,000
1961–62	$ 401,554	203,000	$ 195,000	799,554
1962–63	619,289	25,000		644,289
1963–64	nil	104,000		104,000
1964–65	nil	nil		—
1965–66	nil	nil		—
1966–67	nil	67,000		67,000
1967–68	2,466,151	nil		2,466,151
1968–69	2,492,762	nil		2,492,762
1969–70	695,480 (to Jan. 31/70)	nil		695,480
Total	$ 6,675,236	$ 517,000	$ 195,000	$ 7,387,236

*Contributions to Prince Edward Island, in accordance with terms and conditions prescribed by the Governor in Council, of one-half of amounts paid by that Province to potato growers in respect of their 1960 crop as compensation for losses due to fusarium rot.

EFFECTS OF INFLATION AND UNEMPLOYMENT ON ECONOMIC PLANNING

Question No. 1,264—**Mr. Saltsman:**

1. In its economic planning, does the government attempt to assess the cost to the economy of different amounts of unemployment and of different degrees of inflation and, if so, what techniques are used in calculating these costs?

2. Does the government compare the cost of inflation and unemployment in deciding what fiscal and monetary policies to use?

3 What is the cost of having an additional one percent of the labour force unemployed?

Hon. E. J. Benson (Minister of Finance): 1. The Department of Finance maintains a continuing analysis of the economic situation and outlook with a view to assessing likely trends in the economy, including movements in prices and unemployment. A wide variety of techniques is used, including surveys, statistical and econometric analysis and qualitative appraisal. The results of these various studies are brought together in formulating judgments as to likely developments.

2. In deciding upon fiscal and monetary policies, the government and the Bank of Canada consider many objectives such as those pertaining to economic growth, stability, regional disparities as well as employment and prices.

3. It is not possible to give a definitive reply to this hypothetical question without detailing the underlying economic environment, including inter alia, the level and distribution of unemployment by region and occupation, movements of prices, the distribution of the national income, the phase of the business cycle, developments in capital markets and trends in savings and invest-

ment. There are available publicly a number of studies which relate changes in the rate of unemployment to changes in G.N.P. These studies have been based largely upon observations of past events, especially during periods of relative price stability. They show varying results depending on the time period chosen and other assumptions.

QUESTIONS PASSED AS ORDERS FOR RETURNS

INDIAN CONSULTATION AND NEGOTIATION GROUP

Question No. 219—**Mr. Howard (Skeena):**

1. When was the Indian Consultation and Negotiation Group established and what are its terms of reference?

2. What is the (a) name (b) position held by (c) salary paid to (d) length of service within the sections of the government service relating to Indian Affairs and (e) qualifications of each person within the said group?

Return tabled.

WHEAT—SUBSIDY, PRODUCTION, SALES AND ACREAGE

Question No. 371—**Mr. Robinson:**

1. What was the total subsidy paid to wheat farmers in (a) Alberta (b) Saskatchewan (c) Manitoba, in each of the years 1960 to 1969 inclusive?

2. What was the total production of wheat in (a) Alberta (b) Saskatchewan (c) Manitoba, in each of the years 1960 to 1969 inclusive?

3. How many bushels of wheat were sold in each of the years 1960 to 1969 inclusive and what was the average price per bushel received in each of the years 1960 to 1969 inclusive?

4. What was the total acreage of wheat in (a) Alberta (b) Saskatchewan (c) Manitoba, in each of the years 1960 to 1969 inclusive?

5. What was the amount paid per acre as a subsidy not to grow wheat in (a) Alberta (b) Saskatchewan (c) Manitoba, in each of the years 1960 to 1969 inclusive?

Return tabled.

GOVERNMENT SHIPS OVER 50 FEET LONG

Question No. 483—**Mr. Forrestall:**

1. What are the names of all ships over 50 ft. in length, their registered tonnage, construction date, present location and use, number of Deck Officers, number of Engine Room Officers and other personnel required to man vessels presently being operated by (a) the Department of Transport and Canadian Coast Guard (b) the Department of Fisheries and Forestry (c) the Department of Energy, Mines and Resources (d) the RCMP (e) the Defence Research Board (f) any other government department operating vessels over 50 ft. in length?

2. What has been the total annual operating cost of these ships by department for each of the last 3 years?

[Mr. Benson.]

3. Which departments, including the Department of National Defence, have vessels currently under construction, in advance planning stages and, scheduled for each of the next 5 years?

Return tabled.

CONSTRUCTION OF POST OFFICES

Question No. 496—**Mr. Southam:**

1. How many Post Offices were constructed or will be constructed in each of Canada's ten provinces in the year 1969?

2. What are their locations by province?

3. How many are slated for construction in 1970 and what are their locations by province?

Return tabled.

CBC EMERGENCY BROADCASTING FACILITIES

Question No. 996—**Mr. Harding:**

1. (a) What was the total cost to CBC for supplying emergency broadcasting facilities for each of the last five complete fiscal years (b) when was the service set up (c) and, what was the objective?

2. Has EMO or any government department made any contribution to this cost and, if so, what was the amount paid for each of the above years?

3. (a) Are all radio and television stations in Canada required by law to install the necessary equipment to receive any emergency signal so broadcast and, if not, on what basis is the signal received and broadcast by any station (b) how many stations in Canada are (i) equipped to receive it (ii) not equipped to receive it?

4. (a) Do the emergency broadcasting facilities operate on a 24-hour continuous service and, if not, what is the schedule (b) what facilities are available in the event of an emergency in any of the off-periods (c) what method would be used to communicate with any area not served by the signal?

Return tabled.

FEDERAL CORRECTIONAL INSTITUTIONS

Question No. 1,081—**Mr. Orlikow:**

1. How many federal correctional institutions are there in Canada?

2. What are the names of the Wardens of each of these institutions and how long have they been in their positions?

3. What, if any, are their professional qualifications?

Return tabled.

PENITENTIARIES—PRISONS FOR WOMEN

Question No. 1,091—**Mr. Orlikow:**

1. What is the ratio of staff to inmates in (a) the "ideal" penal institution (b) the Prison for Women, Kingston, today (c) the Prison for Women, Nataqui, today?

2. What is the "treatment of staff" in the Prisons for Women today?

3. What is the cost per inmate per annum, in the Prisons for Women?

4. What are the salary ranges of staff in the Prisons for Women?

Return tabled.

Mr. Diefenbaker: Mr. Speaker, I have two starred questions on the Order Paper, 1,265 and 1,270, having to do with the number of letters, telegrams and other communications criticizing or condemning the white paper in whole or in part which have been received by the Minister of Finance and by the Prime Minister since January 1, 1970. They have been on the Order Paper since February 18. I hope the matter will be looked into by the President of the Privy Council. There must be a machine that counts figures large enough to be able to answer.

Some hon. Members: Hear, hear!

Mr. Forest: Mr. Speaker, we will make inquiries.

MOTION TO ADJOURN UNDER S.O. 26

GRAIN

WHEAT—EFFECT OF ACREAGE REDUCTION PROGRAM ON FARMERS

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, I ask leave, seconded by the hon. member for Regina East, to move the adjournment of the House under Standing Order 26 for the purpose of discussing a specific and important matter requiring urgent consideration, namely, the program announced by the Minister without Portfolio in charge of the Wheat Board on February 27 and the immediate threat it poses to the livelihood of 190,000 prairie farmers, together with the failure of the government to develop programs to ensure a basic income for farmers in western Canada, such discussion being immediately necessary because no legislation is to be presented on the subject and farmers must make vital decisions within the next few weeks.

Mr. Speaker: The hon. member has given the Chair the notice required under Standing Order 26. In saying this, I think I should mention that unfortunately the notice was misdirected and did not come to the attention of the Speaker except by a circuitous route, which perhaps delayed consideration of the matter by the Chair. In any event, the Chair has had an opportunity to consider the proposal contained in the suggested motion.

I can tell the hon. member, and all hon. members, that this is a decision which is very difficult to take. I have considered all aspects of the matter and I am still wondering whether the motion should be put to the House or not. Hon. members know that under the provisions of paragraph 5 of Standing Order 26, the Chair must have regard to the probability of the subject being brought before the House within a reasonable time by other means. I know how important this matter is to Canada in general and to the wheat growers and the economy of the west in particular. However, the Chair still has to take into account the question whether it is probable that this very subject might be brought before the House within a reasonable period of time.

I have never made it a rule that if there is to be a supply motion within a reasonable period of time this should necessarily be the vehicle for discussion of a matter referred to in a proposed motion under Standing Order 26. Nevertheless, this aspect cannot be entirely overlooked. There is also the fact that the budget will be brought down in the very near future, and this will provide a vehicle for consideration of this matter of urgent national importance. Even with this taken into account, I am still not convinced that the hon. member should not be given the benefit of the doubt and allowed to proceed with the motion.

Standing Order 26(6) makes it possible for the Chair to delay a decision for a short while until later in the sitting. If hon. members would permit, I should like to reflect further on all aspects of this matter, particularly on whether there is a possibility of this urgent problem being brought before the House for debate within the next few days. Having taken these factors into account the Chair might make a decision, perhaps at five o'clock, on whether or not there should be a debate this evening on the motion proposed by the hon. member for Saskatoon-Biggar. So the decision will be held in abeyance and made known to the House later this afternoon. Oral questions.

ORAL QUESTION PERIOD

Mr. Woolliams: Before the oral question period begins may I raise a point of order. I am not making anything of the Prime Minis-

ter not being here today because I realize he is away on official business. But I would draw it to your attention, Mr. Speaker, that the function of the opposition is to ask questions of the executive.

According to the roster system, which I have never supported, six ministers who should be here are absent, and I will name them: The Solicitor General, the Minister of Regional Economic Expansion, the Minister of Justice, the Minister of National Health and Welfare, the Secretary of State, and the Postmaster General and Minister of Communications. It seems to me our questions will be somewhat superfluous today if we have to direct them to empty executive benches.

Mr. Macdonald (Rosedale): Mr. Speaker, may I draw to your attention the fact that more than half of the hon. gentlemen—or at least half—referred to by the hon. member for Calgary North are at the present time at the airport meeting Her Majesty the Queen.

Some hon. Members: Hear, hear.

ENERGY

POSSIBLE U.S. LIMITATION OF OIL IMPORTS—REQUEST FOR POLICY STATEMENT

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I have a question for the Acting Prime Minister. In light of the present confusion that exists in regard to Canadian policy on continental energy resources and related issues, and in light of the suggestion that the United States may be preparing to use limitation of oil imports as a means of achieving the package agreement that it desires, is it the intention of the government to make a clear and unequivocal public statement as to its position in this regard?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, I would deny the premise on which the question is based. As far as I know, any action taken by the United States will be related to its own oil policy. It could not possibly be used as a means of bringing pressure on Canada's energy policy as a whole. The Canadian government will make its decisions on its energy policy in light of Canada's own national interest.

Mr. Baldwin: A supplementary question, Mr. Speaker. Will the Acting Prime Minister bring to the attention of the Prime Minister the need to have such statement made at once, in view of the conflicting statements made by members of the government and the danger posed by failing to act promptly, as has been demonstrated in regard to Arctic sovereignty?

Mr. Sharp: Mr. Speaker, I expect that from time to time the government will be announcing its energy policy. As the hon. gentleman knows, the President and the Prime Minister, when they met last year, talked about the desirability of having discussions with the United States. I am sure than my hon. friend will agree that this is still desirable.

Mr. G. H. Aiken (Parry Sound-Muskoka): A supplementary question, Mr. Speaker. Would the minister use his influence to determine whether the right hon. Prime Minister or the Minister of Energy, Mines and Resources speaks for the government in connection with the sale of water to the United States?

OIL—STUDY OF PIPELINE FROM WESTERN TO EASTERN CANADA

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I should like to direct a supplementary question to the Acting Prime Minister. Has any thought been given to or study been made of the economics of a pipeline to move Canadian crude from western Canada to Canadian eastern markets in light of the possibility of serious oil pollution of our seashores by tankers loaded with pollutants disrupting our whole ecology?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, studies have been made from time to time both by private groups and by the government on the economics of a pipeline from western Canada to eastern Canada.

Mr. Woolliams: May I direct a further supplementary question to the Acting Prime Minister. Would the Acting Prime Minister give the House a report on motions at an early date on the opinion of the government so far as that study and research are concerned?

Mr. Sharp: Mr. Speaker, if there is any occasion to change present government policy, an opportunity will be taken, of course, to make an announcement.

CANADIAN SOVEREIGNTY

PROJECTED SECOND VOYAGE BY "MANHATTAN" THROUGH NORTHWEST PASSAGE

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I direct a question

to the Secretary of State for External Affairs. In view of the statement in Friday's New York *Times* to the effect that the *Manhattan* will be making a second trip through the Northwest Passage commencing April 1, may I ask the minister whether Humble Oil Company, or the United States government on its behalf, has asked the Canadian government for permission to go through the Northwest passage or has notified the Canadian government as to when this trip is contemplated? If so, what will be the approximate date?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, the answer to the first part of the question is that the Humble Oil Company has notified the Canadian government and we have given our acquiescence. I am not absolutely sure of the date or I would answer that part of the question, but I can easily obtain the information.

Mr. Douglas (Nanaimo-Cowichan-The Islands): A supplementary question, Mr. Speaker. Has the Canadian government laid down any stipulations regarding what precautions the *Manhattan* must take to guard against the danger of pollution during its trip?

Mr. Sharp: Yes, Mr. Speaker.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Then may I ask the minister the nature of those stipulations?

Mr. Sharp: Mr. Speaker, I suggest that these questions should be directed to the Minister of Transport when he is in the House. He can give a full account.

Right Hon. J. G. Diefenbaker (Prince Albert): A supplementary question, Mr. Speaker. The Secretary of State for External Affairs has been making a variety of statements about sovereignty. I would ask him whether or not the representations that constitute, to use his own word, acquiescence by Canada are in writing? Was there a notice in writing setting forth the basis for the acquiescence, rather than consent, and will the minister table that communication?

Mr. Sharp: Mr. Speaker, I think these questions should be directed to the Minister of Transport when he is here tomorrow.

Mr. Diefenbaker: Mr. Speaker, the Secretary of State has been so generous with his views on this subject that I am wondering why he has suddenly become so taciturn.

Mr. Sharp: Mr. Speaker, I would be very happy to answer the question, but I am quite sure that the House as well as Your Honour would object if I were to go into the kind of dissertation that the right hon. gentleman is asking for.

Mr. Baldwin: No, we would not object.

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, I have a supplementary question, though the answer I will get is obvious. Would the minister ask his colleague the Minister of Transport whether he would indicate to the House if acquiescence implies that we will again provide a full measure of icebreaking service?

Mr. Sharp: Mr. Speaker, at least I can inform the hon. gentleman, and also the right hon. gentleman who wants me to be somewhat more loquacious—

Mr. Diefenbaker: Not loquacious, but forthcoming.

Mr. Sharp: —that this was one of the matters that were taken into account in the exchanges that have taken place between the Minister of Transport and the owners of the *Manhattan.*

Mr. John Burton (Regina East): Mr. Speaker, may I ask the Secretary of State for External Affairs whether Humble Oil Company or the United States made an official request for the provision of icebreaker services?

Mr. Sharp: We have not, of course, had any direct communications with the United States government, which is not involved in this matter. The Humble Oil Company has asked whether icebreaking equipment would be made available.

Mr. Forrestall: Mr. Speaker, a further supplementary question. I should like to know what we have said. Would the minister answer my earlier question and indicate whether or not our answer was yes?

Mr. Sharp: Mr. Speaker, I think, in all fairness to my colleague the Minister of Transport, that these questions should be directed to him. He has direct responsibility for the matter. The Secretary of State for External Affairs is, of course, involved, but it is not my departmental responsibility to deal with Humble Oil Company.

Inquiries of the Ministry

[*Translation*]

VIOLENT DISTURBANCES

PARLIAMENT HILL—REQUEST FOR INVESTIGATION BY RCMP

Mr. Léonel Beaudoin (Richmond): Mr. Speaker, I wish to ask the Acting Prime Minister a question.

During the demonstrations which took place on Parliament Hill over the week end an hon. member had to resort to boxing to protect a girl. Is the Royal Canadian Mounted Police inquiring into charges against a counter-demonstration group which allegedly was not Maoist but composed of paid agents of the American C.I.A.?

[*English*]

LABOUR CONDITIONS

PLANS TO STIMULATE ECONOMY AND PROVIDE EMPLOYMENT—DELAY IN TORONTO UNEMPLOYMENT INSURANCE OFFICE

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I have a question I should like to direct to the Acting Prime Minister. Since unemployment in metropolitan Toronto has risen 33 per cent during the past month, giving a clear indication of the kind of figures that we may expect from the Dominion Bureau of Statistics—

Some hon. Members: Question.

Mr. Hees: —when it reports in a few days, would the Acting Prime Minister take the first opportunity on motions to outline to the House what steps the government is planning to take to stimulate the economy so that large-scale unemployment does not develop in this country?

Hon. Mitchell Sharp (Acting Prime Minister): No, Mr. Speaker. I am sure the hon. gentleman knows there will shortly be an occasion to discuss this and many other aspects of government economic policy when the budget is brought down.

Mr. Hees: On a point of order, Mr. Speaker, the people of Toronto and Canada do not wish to wait for niceties to take place so these questions may be answered.

Mr. Speaker: Order, please.

Mr. Hees: I should like to ask a supplementary question.

Mr. Speaker: Order, please. The hon. member may ask a supplementary but I do not think he has a legitimate point of order.

[Mr. Sharp.]

Mr. Hees: I should like to ask a supplementary question of the Minister of Labour. In view of the widespread confusion and delay that has occurred in the unemployment insurance office in Toronto due to the very rapid rise in unemployment in metropolitan Toronto, can the minister advise the House what steps have been taken to eliminate this confusion and delay which has caused a great deal of confusion and hardship for those who have applied for unemployment insurance benefits?

Mr. Speaker: Order, please. The hon. member's original question asked whether a statement would be made in reply to the question. I should think that if a statement is made the information sought in the supplementary question would be supplied.

Mr. Hees: On a point of order, Mr. Speaker, may I just ask the Minister of Labour whether he will make a statement on motions at the first opportunity giving an answer to my question?

Hon. Bryce Mackasey (Minister of Labour): I will read the question tomorrow to make sure it is not as confusing as it sounds, Mr. Speaker. I would be more than happy to do that and bring these statistics forward. I can answer now by saying that the rapidly growing population of Toronto has put quite a tremendous workload on the Toronto office and as a result we are opening two supplementary offices.

Mr. Hees: On a point of order—

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please.

Mr. Hees: Mr. Speaker, I explained the question in detail to the minister before he entered the House and he knew exactly what I wanted in the answer, so this is impertinence on his part which is unfortunately taking up the time of the House.

Mr. Andrew Brewin (Greenwood): Mr. Speaker, my supplementary question is addressed to the Minister of Labour. In view of the increase in unemployment in the Toronto area to which the hon. member has referred, and the long delays and large queues that have accumulated there, is the minister considering special measures, including making a larger staff available as well as interpreters so these people will not be inconvenienced as they are at the present time?

Mr. Speaker: Order, please. The hon. member's question is a repetition of the question asked by the hon. member for Prince Edward-Hastings. The minister may want to reply to both questions at the same time.

Mr. Mackasey: Mr. Speaker, I will follow your advice and will provide the hon. gentleman who first raised the question with details at the first opportunity on motions, perhaps as early as this Thursday.

GRAIN

WHEAT—ACREAGE REDUCTION PROGRAM—UNILATERAL ACTION

Mr. George Muir (Lisgar): Mr. Speaker, I should like to direct my question to the Minister of Agriculture in view of the fact that the Minister without Portfolio in charge of the Wheat Board is not here today. The other day it was reported that the Secretary of Agriculture of the United States had lauded the wheat acreage reduction proposal announced by the Minister without Portfolio in charge of the Wheat Board. At the same time there was no indication that a similar reduction of their wheat acreage is contemplated for this year. In view of the apparent lack of consultation before the action was taken by the Canadian government, is it the intention of the government unilaterally to reduce our wheat acreage in the same manner as we endeavoured to hold up the International Grains Arrangement prices unilaterally?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, I would be unable to accept any of the arguments advanced by the hon. member. We in this government do not require prior agreement or acquiescence by the United States government, nor do they by us, in matters of this kind. The fact is that the United States announced some weeks ago that it was going to reduce its wheat acreage by 15 per cent. Indeed, I believe it reduced its wheat acreage from 1968 to 1969, through its land bank policy, by about a similar amount. This, of course, had been discussed in a general way with United States officials not only recently but as long ago as 10 or 12 months.

Mr. Muir (Lisgar): Mr. Speaker, in view of the fact that United States farmers are still going to grow 45 million bushels of wheat and we are trying to reduce our crop to four to five million acres, is this not a sign that Canada is giving to the world that Canada intends to withdraw from the international wheat market?

Mr. Olson: No, it is not, because we will have 950 million bushels of wheat in our inventory at the end of this selling season which will supply us with requirements of at least 50 or 60 per cent over our highest sales for next year.

Hon. George Hees (Prince Edward-Hastings): Could the Minister of Agriculture explain to the House, if Canada is doing so well compared with the United States, why their sales have only dropped 6 per cent and ours have dropped 31 per cent?

Mr. Olson: Those figures are not correct.

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please.

Mr. Hees: Those figures are absolutely correct.

REVISION OF INTERNATIONAL GRAINS ARRANGEMENT

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, in view of reports that the United States representatives are seeking a revision of the provisions of the International Grains Arrangement within the provisions of GATT, because of dumping by other nations of their grain on world markets, have Canadian representatives made similar representations?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, there have been a number of discussions and the Minister without Portfolio has reported to the House and to the public in respect of finding ways of retaining as much of the present International Grains Arrangement as possible and, indeed, in regard to a revised agreement to take the place of the present one when it expires, I think in about a year.

Mr. Gleave: Mr. Speaker, could the minister tell the House what immediate action is being taken in respect of the International Grains Arrangement which is not functioning? We know it is not going to carry on forever, but what is being done now?

Mr. Olson: All that can be done with regard to this type of agreement, and that is to attempt to have the other parties who are signatories to the agreement live up to the conditions and for us to do that too, as we interpret those conditions.

[*Later:*]

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, the minister mentioned

the fact that there are some nations which are not maintaining their pledge to the International Grains Arrangement. Is Canada doing so at the present time? Is it committing breaches of the agreement? Would the minister also say to what countries he referred in saying there were some which were not living up to the terms of the agreement now?

Mr. Olson: Mr. Speaker, it is a well known fact and a matter of general knowledge that all countries are selling grain now below the minimum set out in the IGA, and Canada is one of them, but the fact is that Canada was not the first one to do that.

Mr. Diefenbaker: The order in which a crime is committed really does not make it excusable.

WHEAT—ADJUSTMENT OF PROGRAM FOR FARMERS WHO HAVE ALREADY REDUCED ACREAGE

Mr. A. B. Douglas (Assiniboia): Mr. Speaker, will the Minister of Agriculture make some adjustments in the recently announced program for reducing the wheat surplus so as to deal more fairly with those farmers who voluntarily decreased their wheat acreage and increased their summerfallow and forage crop acreage in 1968 and 1969? I ask this because in many respects the program is good—

Mr. Speaker: Order, please. The hon. member can ask a question but he should not explain why he is asking it.

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, there will be provisions in the regulations for those farmers who substantially reduced their wheat acreage and increased their summerfallow acreage in 1969.

Mr. Douglas (Assiniboia): Mr. Speaker, I was asking whether the minister was also considering making adequate provisions for those who increased their forage crop acreage last year.

Mr. Olson: That has not been taken into consideration at this point in time because the major thrust of the program is to reduce the inventory of wheat in Canada.

WHEAT—ACREAGE REDUCTION PROGRAM—CEILING ON PRICE OF GRASS SEED

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I wonder whether the Minister of Agriculture has discussed with the Minister of Consumer and Corporate Affairs the fact that the government is paying $10 per acre on forage crops and whether there is to be a ceiling price set on the price of grass seed which is now being purchased mainly by speculators in western Canada?

Hon. H. A. Olson (Minister of Agriculture): I am sorry but I do not understand the purport of the hon. member's question.

Mr. Woolliams: Perhaps I should rephrase it, Mr. Speaker. Is there any thought of setting a ceiling price on grass seed in view of the fact that it will be in such demand as a result of the government's program regarding forage crops? Is there any policy to set a ceiling on the price of grass seed so it will not get into the hands of speculators?

Mr. Olson: The hon. member probably knows better than I that we have no jurisdiction to set either floor or ceiling prices on goods that someone else sells, whether that product is grass seed or anything else.

Mr. Woolliams: I have a supplementary question, Mr. Speaker. In view of that fact, did the government, the Minister of Agriculture and others take into consideration that the price of grass seed will reach an all-time high in western Canada and that this will be paid for out of the pockets of the taxpayers?

Mr. Olson: No, Mr. Speaker, that is not my view of what will happen. We have made a survey of how much grass and legume or other forage seed will be available this year, and we expect there is probably enough to seed close to two million acres. But there are other factors as well that are influencing the price of grass seed. One of them was the very severe frost in the middle of June last year that killed many of the grass seed crops.

Mr. Woolliams: I have one further supplementary question, Mr. Speaker. I do not want to be argumentative—

Some hon. Members: Oh, oh!

Mr. Woolliams: —but in view of the fact that there is a shortage of grass seed for the reasons given, is the government not aware that the price of grass seed will be so high that farmers, even under the government's plan, will not be able to afford to sow grass?

Mr. Olson: No one is forcing farmers to grow grass under this program. This is a voluntary program, and if a farmer is able to obtain grass seed at what he considers to be a reasonable price, we will pay him $4 an acre if he seeds that land to grass. However, nobody will be forced to do that.

Mr. Woolliams: Is it $4 a pound or $4 an acre?

WHEAT—ACREAGE REDUCTION PROGRAM—REQUEST FOR BACKGROUND STUDIES

Mr. John Burton (Regina East): I should like to ask the minister whether he would consider making some of the background studies carried out prior to the government's announcement of policy on Friday available to members and other interested people in order to contribute to a better informed debate on this entire issue and so that we might understand how it is possible to avoid the high increase in the price of forage crop seed to which reference was just made by the hon. member for Calgary North?

Hon. H. A. Olson (Minister of Agriculture): There are no background studies to which reference could be made in those terms. What we did was to have the officers in the department make inquiries among the people who are handling seed and who have stocks of seed, such as the wheat pools and the other companies that are in this business, to ascertain as nearly as possible how much stock there was in Canada.

Mr. Burton: I rise on a point of order, Mr. Speaker. I think there is a misunderstanding on the part of the minister. I was only citing the forage seed situation as an example. My inquiry had to do with making available some of the general and comprehensive studies that I presume were carried out on this matter.

Mr. Speaker: Order, please. This is not a point of order but rather one of debate. I will recognize the hon. member for Mackenzie in a moment. I understand he has a supplementary question to ask. However, I believe the Acting Prime Minister wants the floor for just a moment by way of parenthesis.

HOUSE OF COMMONS

PRESENCE IN GALLERY OF FOREIGN MINISTER OF THAILAND

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I would like to draw Your Honour's attention and the attention of members of the House to the presence in the gallery of a very distinguished world statesman, the foreign minister of Thailand.

Some hon. Members: Hear, hear.

GRAIN

WHEAT—ACREAGE REDUCTION PROGRAM—AMOUNT TO BE PAID TO FARMERS

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker I would like to pursue a line of questioning started earlier this afternoon and ask the Minister of Agriculture the following question. In view of the fact that some concern has been expressed by provincial departments of agriculture regarding inadequate supplies of grass seed, a fact which the minister substantiated this afternoon, would he now revise his statement to the effect that the government is quite prepared to pay as high as $140 million to the farmers, since this will not be true because the available seed supplies are only sufficient for two million acres of grass?

Hon. H. A. Olson (Minister of Agriculture): That is not true at all. If you take the 22 million acres that were seeded to wheat last year and multiply that figure by $6 per acre and if all of it goes to summerfallow, that will be $132 million, and if you take the two million acres at the $4 per acre we are offering for forage crops, you will find that the $8 million and the $132 million come to $140 million, or precisely the figure.

Mr. Baldwin: How about the wild oats the government is going to sow?

Mr. Korchinski: I wonder whether in all these calculations the government has taken into account the widows and the prematurely retired people who depend upon the one-third share which they normally receive from farm rental? In view of the fact that the quota will be based on the acres taken out of production, will these people be given consideration?

Mr. Olson: Yes, Mr. Speaker, and I presume all those people who have a share in the crop will continue to receive their share of what is sold to the elevator system from the stocks that are already on hand. There is a problem, and everyone recognizes it, that the total of 950 million bushels of carryover is not evenly distributed among all farmers. That, of course, is a problem for the solution of which special regulations will have to be made, but to the extent that the sales in 1970-71 are taken into the elevator system the distribution will be made to all the interested parties as in the past.

Inquiries of the Ministry

MANPOWER

SUMMER EMPLOYMENT PROGRAM FOR STUDENTS

Mr. Robert Simpson (Churchill): I have a question for the Minister of Manpower and Immigration. In view of the serious concern regarding the possibility or impossibility of sufficient summer employment for university summer students, will the minister take an early opportunity to make a clear statement on any plans the government may have to assist in the creation of sufficient summer employment for university students?

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): Yes, Mr. Speaker. I hope that as soon as the present proposals have been finalized I will be able to indicate what we will be doing this summer. We are working on it and we hope to continue the program we conducted last summer which brought about good results. This year we have the added advantage of the fact that the Canadian Chamber of Commerce is launching a vigorous program, "Operation Placement", in conjunction with the Canada Manpower Centres. I will report later when the whole program is brought together.

Mr. Simpson: I have a supplementary question, Mr. Speaker. May I ask the minister whether he has received a request from the student-faculty committee of the University of Manitoba for financial assistance to assist them in providing summer employment for university students?

Mr. Speaker: Perhaps this information might be included in the statement which the minister will make to the House in due course.

Mr. A. B. Douglas (Assiniboia): Has the minister been alerted to the fact that this summer on the Prairies a large army of inspectors will be required to check the farms and that this might provide suitable employment for university students?

Mr. A. D. Hales (Wellington): May I direct a supplementary question to the Minister of Manpower and Immigration which he might wish to answer before he makes his report to the House. Is it his intention to increase the staff at the manpower centres, particularly in communities where there are universities so that the availability of students can be co-ordinated with the employers' demands?

[Mr. Olson.]

Mr. MacEachen: Last summer we increased the staff of the manpower centres by hiring students ourselves, and we hope this will be continued this summer.

[*Translation*]

GRAIN

WHEAT—ACREAGE REDUCTION POLICY

Mr. Roland Godin (Portneuf): Mr. Speaker, I should like to put a supplementary question to the Minister of Agriculture in connection with the reduction of acreage next spring.

Can he tell us whether he feels that this new step is a judicious social policy in the famished world?

Mr. Speaker: In my opinion, the hon. member is asking the minister to state his views. I do not think that stated in those terms the question is in order.

[*English*]

EXTERNAL AFFAIRS

PROPOSED U.S. NUCLEAR TESTS

Mr. Barry Mather (Surrey): I have a question for the Secretary of State for External Affairs. Can he say whether a decision has been reached to make representations in Washington opposing the scheduled underground nuclear tests in the Aleutians?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Your Honour may remember that I answered similar questions last week. We are awaiting the results of the first test before we decide whether we will make any representations other than, of course, the general representations we make to all powers, the Chinese, the Russians and the Americans, to cease and desist from underground tests generally.

TRANSFER OF NERVE GAS FROM OKINAWA TO UNITED STATES

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, in view of the fact that word has just come that the Governor of the State of Oregon is making further representations to President Nixon regarding the transfer of nerve gas from Okinawa, is the Canadian government making any representations regarding the dangers involved in this transfer passing through the Strait of Juan de Fuca?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, we have

already expressed our concern to the American government and we have asked them, as the hon. gentleman knows, for further information about the precautions being taken.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Has the government requested that the American authorities first detoxify this nerve gas before transferring it, which is the kind of request made by the Governor of Oregon?

Mr. Sharp: We have expressed our concern, and this is one of the reasons we want to know whether all necessary precautions have been taken. But I repeat what I said before to the hon. gentleman. This nerve gas is not going to be passing either through our territory or our territorial waters. The Governor of Oregon, of course, can protest against the movement of nerve gas within the United States. We can only make representations on the basis of our extra-territorial position.

Mr. Douglas: And proximity.

Mr. Sharp: And proximity.

HOUSE OF COMMONS

ROSTER SYSTEM—ABSENCE OF MINISTERS

Mr. Donald MacInnis (Cape Breton-East Richmond): Mr. Speaker, this question refers to the original question of privilege about the roster system. I fully agree with the answer given by the President of the Treasury Board with respect to the absence of cabinet ministers for the purpose of meeting Her Majesty. But my question to the President of the Treasury Board is: Are the Minister of Communications and the Minister of National Health and Welfare among those ministers meeting Her Majesty?

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, I take it that the hon. member was referring to me when he used the term "President of the Treasury Board", and I would say my information—

Mr. Baldwin: He was just guessing.

Mr. Macdonald (Rosedale): Yes, he does a lot of guessing. My information is that they are not meeting Her Majesty.

Mr. MacInnis: I rise on a further question of privilege. Since the Minister of Justice is in the House, and the two ministers referred to earlier are not meeting Her Majesty, then the answer given previously by the President of the Privy Council is absolutely false.

Mr. Macdonald (Rosedale): On a question of privilege, Mr. Speaker, I would point out, and perhaps my colleague, the Minister of Justice can confirm this, that the ministers in question, the Prime Minister, the Solicitor General and the Minister of Justice, and also the Leader of the Opposition, all met Her Majesty the Queen, and the answer was not false.

Mr. MacInnis: Further on the question of privilege, that leaves out—

Mr. Sharp: Come off it.

Mr. Speaker: Order, please. Is the hon. member rising on a question of privilege?

Mr. MacInnis: Yes, on the same question of privilege involving the roster system. The minister mentioned that over half of the ministers were meeting Her Majesty. He has already admitted that the Minister of Communications and the Minister of National Health and Welfare were not among those who went there, and he indicated that three ministers were. The fact that the Minister of Communications, the Minister of National Health and Welfare, the Minister of Regional Economic Expansion and the Secretary of State were not there makes his original answer false.

Mr. Speaker: Order, please. The hon. member for Fundy-Royal.

Mr. MacInnis: On a further question or privilege—

Mr. Speaker: Order, please. I would doubt whether there was an original question of privilege. Order. The hon. member rises now and seeks the floor on a question of privilege.

Mr. MacInnis: My question of privilege stems from the remark made by the Acting Prime Minister from his seat. I would once again ask for a ruling from the Chair in respect of the roster system and the predetermined absence of ministers from this House which can destroy the value of the question period by removing the urgency from the questions.

Mr. Speaker: The hon. member for Fundy-Royal.

EXTERNAL AFFAIRS

LAOS—INCREASE IN HOSTILITIES—CANADIAN POSITION

Mr. R. Gordon L. Fairweather (Fundy-Royal): Mr. Speaker, I wish to direct a question to the Secretary of State for External Affairs.

In view of the fear that the ground fighting and bombing in Laos may lead to the spreading of the war in Southeast Asia, will the minister state whether he has received any reports from the Canadian delegation to the ICC? Mr. Speaker, perhaps I could take a chance and ask a supplementary now. Is the Canadian government going to do anything about reconsidering its position on scaling down the Canadian delegation to the ICC, in view of the dangerous situation in Southeast Asia?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, if I might start the answer from the last part of the question put by the hon. member, we still have a delegation in functioning order. Unfortunately, as he probably knows, the International Control Commission has not been able to function, to investigate problems such as those that have arisen recently, because the Pathet Lao will not allow the International Control Commission to operate. We have not been able to get agreement, even among the members of the Commission, as to the right of the Commission itself to investigate.

Mr. Fairweather: Then, as a supplementary question, and it is a legitimate supplementary, Mr. Speaker. In view of the fact that the Prime Minister of Laos has asked for the convening of a conference on the style of the last Geneva Conference, and that Canada was one of the countries participating in it at that time, are we taking any initiatives in this regard?

Mr. Sharp: Mr. Speaker, the matter would of course have to be undertaken on the initiative of the two co-chairmen powers, Britain and the Soviet Union. If there is agreement in principle that such a conference be held, and that it shows a promise of yielding helpful results, Canada, as a member of the 1961-62 Geneva Conference on Laos, would be prepared to participate.

INQUIRY AS TO WHITE PAPER ON POLICY TOWARD PACIFIC NATIONS

Mr. Andrew Brewin (Greenwood): Mr. Speaker, my question is also for the Secretary of State for External Affairs. When does he expect to put before the House a white paper proposing, as he suggested over the weekend, a revised policy toward the Pacific nations?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, these papers, as I have said a number of times, are under

preparation. I have said it is our intention to table a general paper, and perhaps some of the supplementary papers, by the end of this session. One of the papers now in preparation relates to Pacific affairs.

POLLUTION

AIR—INTRODUCTION OF LEGISLATION DURING PRESENT SESSION

Mr. Randolph Harding (Kootenay West): Mr. Speaker, I have a question for the Minister of National Health and Welfare. In view of the increasing seriousness of air pollution in Canada as shown in the recent report from Montreal where sulphur dioxide pollution has become a major health hazard, I would ask the Minister of National Health and Welfare if legislation to deal with the entire problem of air pollution will be introduced at this session?

Mr. Stanley Haidasz (Parliamentary Secretary to Minister of National Health and Welfare): No, Mr. Speaker.

FISHERIES

SEALS—ACTION TO COUNTER PROTESTS BY MAKING FACTS KNOWN

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, I have a question for the Secretary of State for External Affairs. In view of the fact that irrational and uninformed elements of animal societies are picketing Canadian embassies against our Canadian seal fishery, can the minister say what effort has been made by his department to clarify Canada's position and to inform these societies of the facts which are not now known?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, when representations of this kind are made to us we give, I hope, a clear indication of Canadian government policy, and so does the Minister of Fisheries who is equally concerned that this particular resource should be used humanely as well as intelligently.

Mr. Lundrigan: As a supplementary question, in view of the fact that the Fisheries Committee made a unanimous recommendation almost a year ago, that the government should take initiatives to correct the misimpression which is abroad about Canada's seal fishery, will the minister agree to take some new initiatives in order to set the record straight internationally about Canada's role in one aspect of its economy?

Mr. Sharp: Mr. Speaker, we have had this matter very much before us recently because we are concerned that Canada's image abroad may be affected by the misinformation that is spread. I hope my hon. friend will support the government's effort in rationalizing our information services by the establishment of Information Canada.

Mr. Lundrigan: Mr. Speaker, perhaps I can ask a further supplementary, or maybe reword the question. My question is simply this: will the government take some new initiatives through films and information services in order to clarify Canada's role with respect to the seal fishery?

Mr. Speaker: Order, please. The hon. member for Yorkton-Melville.

Mr. Lundrigan: Mr. Speaker, on a question of privilege—

Mr. Nystrom: My question, Mr. Speaker—

Mr. Speaker: Order, please. A question of privilege.

Mr. Lundrigan: Mr. Speaker, a question of privilege. I think the minister, by his remark about Information Canada, has certainly given the impression to the House that this is a very frivolous matter. But we have at the present moment in New York the bleeding hearts society or some such bloody group making representations and picketing our Canadian embassy. We are getting a terribly bad image abroad and I want to ensure that our Canadian image will be corrected. I think the minister has an obligation to this House to correct the impression he just left that this is a frivolous matter.

Mr. Sharp: Mr. Speaker, I take the problem very seriously indeed and share the concern of the hon. member. I suggest the reference to Information Canada should not be taken as a frivolous answer.

An hon. Member: Just the minister.

EXTERNAL AFFAIRS

VIET NAM WAR—SALE OF WEAPONS TO UNITED STATES

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, I have a question for the Secretary of State for External Affairs. In view of the fact that Canada sold approximately $300 million worth of weapons and defence materials to the United States in 1969, is the Canadian government now considering putting an end to this complicity in the Viet Nam war by stopping these sales?

Mr. Speaker: Order. Orders of the day.

GOVERNMENT ORDERS

OFFICIAL LANGUAGES ACT

APPOINTMENT OF KEITH SPICER AS COMMISSIONER

Hon. Donald S. Macdonald (for the Prime Minister) moved:

That in accordance with section 19 of an act respecting the status of the official languages of Canada, chapter 54, Statutes of Canada, 1968-69, this House approves the appointment of Keith Spicer, Esquire as Commissioner of Official Languages of Canada.

He said: Mr. Speaker, by way of explanation of the background of the motion perhaps I might read into the record the relevant provisions of section 19 of the Official Languages Act adopted by Parliament in the last session. Subsection (1) of section 19 provides and I quote:

(1) There shall be a Commissioner of Official Languages for Canada, hereinafter in this act called the Commissioner.

Next is the most germane clause. Subsection (2):

(2) The Commissioner shall be appointed by commission under the Great Seal after approval of the appointment by resolution of the Senate and House of Commons.

Subsection (3) provides:

(3) Subject to this section, the Commissioner holds office during good behaviour for a term of seven years, but may be removed by the Governor in Council at any time on address of the Senate and House of Commons.

• (3:20 p.m.)

The purpose of the motion therefore, Mr. Speaker, is to comply with the requirement of the Official Languages Act and to request the approval of the House, as the approval of the other place will be requested, to the appointment of Mr. Spicer to this position under the Great Seal of Canada.

Mr. Spicer is a native of the city of Toronto, having been born there in 1934 and having been educated in the elementary and secondary schools of that city. In terms of post secondary education he holds: 1. Diplôme d'études de civilisation française, Sorbonne, Université de Paris, 1955; 2. B.A. in Modern

Languages and Literatures, University of Toronto, 1956; 3. Diplôme de l'Institut d'Études Politiques, Université de Paris, 1958; 4. Ph. D. in Political Science, University of Toronto, 1962. He has been in the academic profession having taught at the University of Ottawa for four years; the University of Toronto for three years, where he had been in the position of Associate Professor and is now Special Lecturer on French Canada; was visiting professor for one term at Dartmouth College in the United States and this year is visiting Associate Professor of Political Science at Glendon College, York University.

In addition to his academic occupations Mr. Spicer was active as Organizing Secretary of Canadian Overseas Volunteers in 1960-61, an organization which members will recall was one of the constituent organizations of what has since become Canadian University Students Overseas, or CUSO; in the summer of 1964 Mr. Spicer served as Staff Researcher on the Armed Forces, Royal Commission on Bilingualism and Biculturalism; in the years 1964-65 he was known in this building as the Special Assistant to our late colleague, the Honourable Guy Favreau, then minister of justice and subsequently president of the privy council; during the years 1966 to 1969 he served as an editorial writer with the Toronto *Globe and Mail* and during that time had some leave of absence for academic purposes. Then, between the years 1961-69 he served as a commentator on the French network of the Canadian Broadcasting Corporation, broadcasting in French in the International Service of that corporation in 1968-69.

In terms of publications Mr. Spicer has published frequently on the question of external aid. In the spring of 1961 he published in the International Journal an article on "The Administration of Canadian Colombo Plan Aid"; in June, 1962, in Volume 5 of Canadian Public Administration he published "Quelques problèmes des experts techniques canadiens à l'étranger", and in the International Journal in the winter of 1969-70 there appeared his article entitled "Clubmanship upstaged: Canada's 20 years in the Colombo Plan". Those who have studied Canada's foreign aid program will recall Professor Spicer's monograph which was the subject of his doctorial thesis, "A Samaritan State?—External Aid in Canada's Foreign Policy," published in 1966.

Mr. Spicer is married to a former native of France and has a family of three children. In the opinion of the government he would be an apt representative of English Canada, with extensive studies in French language and French culture, to carry out the very important function which this Parliament has assigned to the Commissioner of Official Languages. On that basis, the government has put forward this proposal, that his nomination might be approved.

[Mr. Macdonald (Rosedale).]

Mr. R. Gordon L. Fairweather (Fundy-Royal) Mr. Speaker, we are in the middle of a very important consideration of a very important appointment, and I am grateful for the opportunity to speak for the official opposition about the appointment of Dr. Keith Spicer. As the President of the Privy Council (Mr. Macdonald) told us, the nominee has a most impressive academic record. I am sure that, coupled with this record, are the essential qualities of sensitivity and open-mindedness which will be so necessary for carrying out this worth-while task for Canada. I hope that the Commissioner designate will heed the need for a very early reassurance to the public servants who have been deeply troubled about their future because of what I might categorize as the rather ill-considered and flip statements made by certain people.

For 103 years, Mr. Speaker, we have been engaged in an experiment in nationhood called federalism. The years have been punctuated on occasion by stridency and shrillness uttered by negative men whose vision of what Canada can be is obscured. Fortunately, other men have understood the stresses and tensions of our evolution. We must reinforce the original and imaginative concept of confederation to fix today's period of profound readjustment. Northrop Frye has reminded us that nations have followed their uncreated ideal. I believe this is very true of this country. He says this at Page 122 of his book:

> The Canada to which we really do owe loyalty is the Canada that we have failed to create ... I should like to suggest that our identity, like the real identity of all nations, is the one that we have failed to achieve. It is expressed in our culture, but not attained in our life, just as Blake's new Jerusalem to be built in England's green and pleasant land is no less a genuine ideal for not having been built there. What there is left of the Canadian nation may well be destroyed by the kind of sectarian bickering which is so much more interesting to many people than genuine human life. But, as we enter a second century contemplating a world where power and success express themselves so much in stentorian lying, hypnotized leadership, and panic-stricken suppression of freedom and criticism, the uncreated identity of Canada may be after all not so bad a heritage to take with us.

I sincerely hope, and I say this on behalf of my Party, that Professor Keith, Spicer will help to bring reality closer to the ideal.

Mr. David Lewis (York South): Mr. Speaker, even though I have had the pleasure of meeting Dr. Spicer briefly, it is impossible for me to say exactly what his qualifications are for this particular position; but I am, as are my colleagues, prepared to accept the judgment of those who chose him. He is certainly a man of great culture and, what perhaps is more important, he possesses a great sense of humour which he will probably need in performing his duties.

It has taken us more than a century to do what perhaps ought to have been done on the first day of Canada's birth, establish the notion that bilingualism is part of our national culture and national being. When the Commissioner approaches his job of making bilingualism a reality in federal institutions and the various language districts to be set up under the Act, I am sure he will remember that it has taken us a century to come this far, that during the course of the century a great many anomalies, injustices and disparities in language among groups in Canada have developed, and that those disparities and anomalies cannot be erased over night. He must remember that setting the record straight and overcoming the difficulties and conflicts which have arisen in the course of a century will require a great deal of patience, diplomacy and sensitivity, because his work will touch on the lives, security and confidence of a good many Canadians.

If he remembers that, Dr. Spicer will have an opportunity of making bilingualism in Canada a living thing and there will be no bitterness or recrimination from any section of the country. On the other hand he can act, as I hope he will not, like a bull in a china shop by trying to make things accord to his view very quickly and thereby produce a great deal of resentment and bitterness which will take another century to erase. I therefore urge, as I have in past debates on this Bill, that Dr. Spicer, whom I do not know very well, display a sensitive, open-minded, patient and diplomatic approach to the problems he will encounter.

He has considerable powers under the Act, not as great as some hon. members have suggested, but very great nonetheless. He will be the recipient of many complaints from people who think that English or French has been ignored and by people in the federal public service who think that our emphasis on language at this late date in our history has placed them in a position of disadvantage in relation to their promotion, transfer or advancement in their careers. He will receive a good many complaints from people who have a real grievance and, I suspect, even more complaints from people who have no grievance at all but who are either deliberately or unconsciously out to create mischief. It will be a measure of his greatness as a human being and not merely as one who is a recipient of a doctorate if, at this time when Canadians are aware of the conflicts and divisions within their society, he will approach all these complaints fairly and perform his duties with an unremitting determination to face Canada's present and future difficulties and build the foundations of greater unity.

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

Some hon. Members: Agreed.

Motion agreed to.

[*Translation*]

TEXTILE LABELLING ACT

MEASURE CONCERNING CONSUMER ARTICLES

Hon. Donald S. Macdonald (for the Minister of Consumer and Corporate Affairs) moved that Bill S-20, an Act respecting the labelling, sale, importation and advertising of consumer textile articles, be read the second time and referred to the Standing Committee on Health, Welfare and Social Affairs.

Mr. Paul Langlois (Parliamentary Secretary to Minister of Consumer and Corporate Affairs): Mr. Speaker, I should like to thank the Minister of Consumer and Corporate Affairs (Mr. Basford) for giving me the opportunity of introducing this bill in the House. I hope I shall be equal to the task.

It is a privilege and pleasure for me today to present Bill S-20, entitled an Act respecting the labelling, sale, importation and advertising of consumer textile articles. Of the many problems consumers face in making an informed choice in the market place, none is more complex than the problem of selecting between textiles. Not only are consumers concerned with the fibres being used in textile articles, but they are also concerned with the care of such products, the availability of adequate sizing, and other important facts such as wearing qualities, including serviceability. A pre-requisite to judging these factors is to know the fibres from which the cloth and textile products are made.

However, the activities of the department have not been restricted to this one objective. As members know, a sizing program for children's clothing has been introduced, and it should revolutionize the sizing of children's garments. As a logical extension of that program, and one which consumers have requested, is the initiation of work to provide a size system for women's clothing.

In the matter of care labelling, I hope shortly to announce a system which will greatly assist consumers in the care of garments. However, as I have indicated, the complete success of such programs requires the creation of a viable system for the identification of fibres and this bill will provide the cornerstone.

• (3:30 p.m.)

In terms of these objectives, I am certain that passage of this bill will be welcomed by all consumers in Canada. It is particularly gratifying to be associated with legislative action designed to alleviate some of the problems and frustrations faced by everyone in today's market-place.

I believe we will all agree that the most deserving beneficiaries of this bill will be the women of this country who largely bear the responsibility for purchasing the family requirements in clothing and other household articles. While we may be reluctant to acknowledge the fact, I think that the majority of the male members of the House might privately confess that a great deal of reliance is placed upon the knowledge and instincts of their wives when it comes to the selection of quality in their clothing requirements.

I am delighted to recognize the initiative shown by the member for Esquimalt-Saanich (Mr. Anderson) in bringing forth a private member's bill relating to mandatory labelling of textiles. The text of his bill indicates a parallel concern regarding the plight of the purchaser of textile articles and I am certain that he will find that the provisions of the present bill are in accord with his own objective.

The Canadian textile industry generally supports a move to bring more order to the manner in which both imports and domestically produced articles are labelled. Deficiencies in labelling are prevelant in both categories, to the detriment of the more conscientious firms who endeavour to maintain a high level of informative labelling. Since the requirements for mandatory labelling called for in this Act apply equally to imports and domestic production, this inequity will be removed and all will compete on the same terms.

It is evident from the provisions of the bill that retailers will derive protection comparable to that supplied to the consumer by the requirement that the label be applied by the supplier of the finished article. Although the mandatory labelling is geared mainly to the consumer's needs, the implementation of the regulations under this Act will help the retailer and manufacturer to minimize complaints and returns.

Textile fibres, and the textiles and clothing made from them, rank as one of the three major essentials of man. We all are consumers of textiles and it is estimated that each of the members present in the House is wearing at the moment approximately 4 to 5 pounds of consumer textile products of the kind which will be subject to the proposed legislation. In 1969, Canadians used in excess of 700 million pounds or approximately 33.5 pounds per capita and it is estimated that the total value of products subject to the provisions of this Act is approximately $1.4 billion annually.

In recent years, the industrial progress and technical advancements which have been achieved in the chemical and textile fields have brought immeasurable benefits to consumers. In providing a much broader range on man-made and synthetic fibres, these advancements have improved our way of life through the introduction of many modern innovations from wash-and-wear clothing to indoor-outdoor carpeting.

However, these developments have been accompanied by a proliferation in textile terms and fibre trade names which has vastly complicated the task of the consumer in making intelligent selections of fabrics and proper assessments of fibre properties on today's market.

The consumer has always been familiar with the generic names of the natural fibres, e.g. wool, cotton, linen and silk, and has not had much difficulty in learning the inherent properties of those fibres which determine the performance and care of these products. I mentioned previously the remarkable technological developments in man-made fibres. Such evolution is the main reason why the share of the natural fibers on the market has dropped from 82 per cent in 1950 to 64 per cent in 1968; a substantial amount of these natural fibres was offered under the form of blends with artificial fibres. The evolution of

the textile industry in the direction of multi-fibre and multi-process sophistication has placed the average shopper in an awkward position.

The price of progress has been that the consumer is confronted and often confused in the maze of man-made fibres. As a matter of fact, they are offered for sale under a multitude of trade names—Arnel, Antron, Avisco, Avril, Nylex, Nypel, Nytelle, Fortrel, Verel and Qiana. This list can easily be expanded since there are over 2,000 trade names for man-made fibres known in the textile trade. The use of some trade names may be helpful since some are now household words, but many more are not.

The present regulations in this field prohibit mislabelling and protect the consumer from fraud to this extent, but there remains a major gap where no information is offered. The only legislation with respect to the labelling of fibre content is the Regulations respecting the Labelling of Textile Materials (P.C. 1955-1515) and Regulations respecting the Labelling of Hosiery (P.C. 1962-1239) as amended by P.C. 1964-517, both passed pursuant to Section 5 of the National Trade Mark and True Labelling Act.

Labelling of the products is not mandatory under the provisions of the existing regulations. They are based on the approach that a dealer does not have to label his product at all, but if he does, the labelling must be accurate in accordance with the regulations. Another inadequacy is that the use of the natural, chemical, technical or trade name whether such name is a registered trade name or not is permitted. While there are manufacturers who do label informatively, this generally happens only when there is a competitive advantage in doing so. In many cases those articles which are labelled do not bear the percentage for fibre blends and designations of man-made fibres are often by trade names.

• (3:40 p.m.)

As I have indicated, the proposed bill is a response to the requests and needs of not only the consumers, but also of the manufacturers and retailers of textile articles. By providing this legislation, the government is assuming a leading role in ensuring the right of the consumer to be informed of the material composition of textile products which he purchases. The buyer who has difficulty in identifying fibres by the feel of the fabric offered at the retail level, will be greatly assisted by this legislation. The Act will also guard the consumer against unfair and deceptive trade practices. The vendor or the dealer, as defined in the Act, will be required to provide the information which will help the buyer to make a knowledgeable purchasing decision. Mandatory labelling will increase the effectiveness of the consumer's choice by informing him more fully about quality, and consequently about performance and care. The provisions relate not only to wearing apparel, but also to yard goods, upholstery, wigs, carpets, floor covering, sleeping bags, draperies and other household textile items.

One of the main provisions of the new legislation is that fibre designation shall be by generic names. Possibly some of the more knowledgeable purchasers are aware that fibres sold under various trade names such as Dacron, Terylene, or Fortrel are actually of the same chemical composition and are generically named Polyester. But I wonder how many of them would recognize as the same generic Polyester fibre, those that are now sold on the Canadian market under such names as Avlin, Diolen, Encron, Forcel, Kodel, Nycron, Talan, Teijan, Tergal, Teritol, Terlenka, Tetoron and Trevira. The advantages and simplicity in the proposed use of the single generic name Polyester are obvious. The generic names for man-made fibres which will be defined in the regulations are acrylic, modacrylic, polyester, rayon, acetate, saran, azlon, nytril, nylon, rubber, spandex, vinal, olefin, vinyon, metallic, glass and anidex. The requirement for use of generic names will not prohibit the use of fibre trade names in which the owners have a large investment and a great deal of pride. The regulations will provide for the non-deceptive use of fibre trade names provided that they are accompanied by the generic name of the fibre.

While some of the proposed generic names may be unfamiliar to many consumers at this time, it will be much easier for the consumer to become familiar with the characteristics of 17 generic fibres than it has been to cope with hundreds of trade names in the past. It is recognized that there will have to be an intensive educational effort to familiarize the buying public with the significance of the generic names, and my department will meet its responsibilities in this respect.

At this point, Mr. Speaker, I should mention that the consumer textile market and the textile technology in Canada are very similar to those in the United States.

Because of the large volume of trade occurring between the two countries, it is desirable that the regulations adopted in Canada be

consistent with those of the United States. This will be largely achieved by adopting in Canada the same generic names for fibre classification. All man-made fibres marketed now under a multitude of trade names may be classified within one of 17 generic groups which will be defined in the regulations under this Act. Each group covers a class of fibres differing significantly from those in the other groups in chemical composition as well as in certain other characteristics such as washability, resistance to light and serviceability.

The provisions of the bill now before us will require mandatory labelling of prescribed consumer textile articles to disclose by generic names all fibres constituting five per cent or more of the total fibre content. In addition, the disclosure will be expressed in terms of percentage for each constituent fibre. Further provisions prohibit any false, misleading or deceptive representations being used in association with any textile fibre product by means of a label or advertisement.

Other basic provisions embodied in the bill relate to offences, penalties and disposition of article upon conviction; powers for enforcement by inspection, seizure and analytical evidence; and authority for Governor in Council to make regulations relating mainly to the technical and operative areas. This structure will provide the flexibility required to keep the regulations up-to-date with technological advancements and provide the consumer with meaningful information and protection.

I have no doubt that this Bill will considerably narrow the communication gap existing now between the consumer and the manufacturer of textile products, and that it will provide for a more orderly, informed and efficient marketplace. I trust that the objective of the government in this complex field and the bill which provides the means of achieving it will commend themselves to the House.

That this is perhaps not an idle hope is indicated by the private bill on this subject standing in the name of the member for Esquimalt-Saanich, and the general and particular interest indicated by members of all parties to see that the consumer maintains his rightful place in the market.

Hon. Théogène Ricard (Saint-Hyacinthe): Mr. Speaker, I would like to congratulate the Parliamentary Secretary of the Minister of Consumer and Corporate Affairs (Mr. Langlois) for the efficiency and competence with which he discharged his duties and gave us the information he had received. However, I must also deplore the fact that the minister responsible for that measure is again absent from the House.

It would seem that the ministers are now delegating to subordinates the duties which fall to them. This is an undeniable proof of the ministers' contempt for the House since they give us the impression that they find it boring here. I think this is deplorable.

Mr. Speaker, during his remarks the Parliamentary Secretary said that the bill intended to control the labelling, sale and imports of products.

• (3:50 p.m.)

About the first aim, he spoke at length. About the second one, that is to say sales, he spoke also but we would have liked very much to hear him talk about imports. Indeed, textile imports into Canada have increased and are still increasing, which has for consequence to deprive of their jobs Canadian workers who certainly deserve more attention from the government.

As I listened to the hon. member who spoke before me, I felt as it the textile industry had just been born. I had indeed the feeling that he was laying the foundations for a new industry in Canada. Yet, Mr. Speaker, the textile industry is one of the oldest in Canada. It is steadily losing ground nowadays because of the apathy, lack of interest and scorn of this government.

Mr. Speaker, you may feel that I am out of order, but when we are talking about imports, we cannot be limited to what is happening in Canada. As a matter of fact, it is absolutely necessary to ask where they come from and what are their evil effects. As a member representing a riding where the textile industry is of vital importance, I can only bitterly and severely criticise the Liberal members. They are responsible for the stagnation in which the textile industry finds itself.

The Acting Speaker (Mr. Béchard): Order, please. I regret to interrupt the hon. member, but he will agree that the bill under consideration deals only with the labelling, sale, importation and advertising of consumer textile articles, in order to inform the public about the quality of the products he is buying, and does not deal with the textile trade, either domestic or foreign.

Mr. Ricard: Mr. Speaker, I will not have a polemic with you. However, I should be granted at least the same latitude as my hon. friend.

Since I must limit the scope of my remarks as much as possible, I would first tell the House and particularly the Parliamentary Secretary, that this measure is a smoke screen. Actually, the government does not wish to make known openly its inertia, its lack of foresight and also its intention not to do anything to help the Canadian workers.

The textile industry is one of the oldest in Canada and deserves better attention and protection from the government. Labelling has fooled a great number of Canadians. Importers and some foreign manufacturers took advantage of it and managed to label their products so as to cheat the Canadian buyers.

Several times in the past I have drawn the attention of the Minister of Finance (Mr. Benson) to anomalies in and violations of the law and it seems that this has been to no purpose. It was acknowledged that there was dumping, that Canadian workers were handicapped by it. It took too long to make the necessary inquiries. It only extended the time to the prejudice of the Canadian workers who lost their jobs because of too many imported goods.

I wish to point out that there are too many textile products entering the country. I could not repeat that often enough, because some of my former fellow workers have lost their job on that account, and this government has failed in its duty.

Here are a few remarks made by companies involved in the import market. They manufacture fibres and sweaters and they ask for more protection from the government.

I shall quote a few of them:

> Fibre and sweater manufacturers gave the Tariff Board a very dismal picture of the situation and spoke as late as yesterday of sales lost to imports from countries where manufacturing costs are very low.

Further on it is said:

> The Canadian Chemical Producers Association has stated that the steady increase in imports of knitted garments has had an unfortunate consequence on the Canadian synthetic fibre industry.

Another party concerned says, and I quote:

> Dupont of Canada Ltd., which operates the only plant in Canada producing such fibres, stated before the inquiry commission that imports from Asian countries had caused the share of the Canadian market to drop to 19 per cent in 1969, as against 75 per cent in 1965.

What is the result of this? Those 2 million pounds, comprising sweaters, have become 10½ million pounds, and most of the increase benefited foreign importers.

Mr. Speaker, this government should have taken the necessary measures long ago. On many occasions, I myself asked questions to the Minister of Industry, Trade and Commerce (Mr. Pepin) and he had promised to conduct an inquiry and table the relevant report in the House in December last. We are still waiting for the conclusions of the study and, in the meantime, many Canadian workers are losing their jobs.

The government cannot plead ignorance in this matter. We of the opposition parties have warned it on numerous occasions. Those involved in the textile industry have time and again informed the government that action in this field was mandatory.

The Acting Speaker (Mr. Béchard): Order. I regret, once more, to interrupt the hon. member, but he will certainly agree that his speech has no relation whatsoever to the bill now before us, which deals with labelling—

Mr. Ricard: Mr. Speaker, I was about to say that because of inaccurate labelling—you were premature, whereas if you had waited a few moments more you would have known what I was going to say—people involved in the textile industry have informed the government that something should be done. The government has always postponed action from week to week, to the detriment of Canadian workers.

Mr. Speaker, although this legislative measure is far from perfect, although it is but a huge smoke-screen to make us forget the inertia of the government, we welcome it. We hope it will improve somewhat the lot of those who have been associated with the textile industry throughout their lives. I wish the parliamentary secretary all the success he hopes to achieve, for the government as well as the department certainly need it.

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, I listened closely to the speeches of the two previous speakers.

I want to congratulate the parliamentary secretary (Mr. Langlois) on his well written speech, on its delivery, and on his ability to cover the whole subject of textiles.

I also want to congratulate the hon. member for Saint-Hyacinthe (Mr. Ricard) for his efforts towards helping the textile workers.

I should very much like to continue my speech in French, but I cannot do so for two reasons: first of all, the English minority must

be heard in this debate; and also, I am unable to express myself as clearly and forcefully as I believe I can in English.

[*English*]

The purpose of this bill is to provide for regulations governing the sale, labelling, importation and advertising of consumer textile articles. Products that come under the bill will include such textile articles as clothing, fabrics sold in the piece, sheets and other household articles. The legislation would apply whether these items are made in Canada or imported from elsewhere.

• (4:00 p.m.)

As the Parliamentary Secretary has pointed out, there are very many trade names for these manmade fibres and the labelling of textile articles is going to be a difficult and complicated matter. The bill will prohibit a dealer from selling, importing or advertising a prescribed consumer textile unless it is labelled according to its textile fibre content and in accordance with the regulations under the bill. Other provisions will prohibit misleading, deceptive and false statements being used in the sale, importation or advertising of textiles. There are penalties. A dealer violating the bill's requirements will be liable to a maximum fine of $10,000 and a person violating the provisions or regulations of the act will be liable to a maximum fine of $3,000, imprisonment for up to a year or both. What the bill does is provide that labels show on a prescribed article the generic name of each textile fibre comprising 5 per cent or more of the total fibre weight of the article.

The Parliamentary Secretary indicated when he spoke that this bill was also supported by the hon. member for Esquimalt-Saanich (Mr. Anderson), who has a similar private bill on the Order Paper. As far as that hon. member's bill goes I know he is very definitely concerned about these consumer problems and the bill is to be commended, up to a point, as is this measure. However neither one of them in my opinion goes far enough. This is not merely my opinion, but is the opinion of the one Canada-wide consumer organization, the Consumers' Association of Canada.

Like the hon. member for Saint-Hyacinthe (Mr. Ricard), I am sorry that the minister did not show sufficient concern for the feelings of the consumers either to be here today or to explain why he could not. I think there must be some very good reason why he is not here to listen to the discussion on this bill. I wish he had stated it before he left. I think it is important that he should be here. I also think it is a little unfortunate that he had to choose the beginning of consumer week, which today is, to introduce this bill, since it is very definitely accepted as only a half-way measure by the Consumers' Association of Canada.

Indeed, I want to give you some points expressed in a release issued on February 20 when the Consumers' Association of Canada was made aware of the contents of this bill. They expressed great dissatisfaction with the textile labelling bill which was given first reading in the House of Commons. This release states in part:

> The bill is a "halfway measure" said Dr. H. Edward English, Acting CAC president. "While it seems to cover many problems encountered by consumers and will at least give basic fibre content information, consumers will not know how to clean textile articles they purchase," Dr. English continued.

That is the end of that quote, but not the end of the release which continues:

> The nation-wide consumer organization originally asked textile manufacturers to state fibre content and care instructions on all textile items. When the industry took no action, CAC asked the Department of Consumer and Corporate Affairs for legislation.

I am sorry to say that the CAC turned in vain to the government for the whole of what they wanted. They are getting labelling on fibre content but this bill does not require labelling instructions for the care and cleaning of textiles once they have been purchased.

Anyone who has looked after clothing or household articles knows it is of utmost importance, with all the variety of fibres in the articles of clothing and for the household that we are buying, to know the method of cleaning and caring for them that is required. Unfortunately, while the minister has included fibre content in this bill in respect of labelling, he has turned a deaf ear to the pleadings of the CAC that there should be labelling as to care and cleaning of the textile. So, it is not with any great degree of satisfaction that the CAC or the consumers across this country welcome this measure. We will, of course, support it and we will try to make it better when the bill is before the committee, but this is very definitely a half loaf; I am not sure that it is not the small half of the loaf at that. I know that this is an Irishism and that each half should be the same, but there is such a thing as a smaller half, and this may be the small half we are getting.

I have been led to believe that the Canadian government Care Specifications Board has already prepared specifications for the care and cleaning of textiles. These could have been included in this legislation, had the minister been prepared to do so. I should like to know why he did not. If these specifications for care are ready, why are they not included in this bill? If they are not ready, why could this measure not have been put aside for a little while until they were finally prepared and included?

I think these are very important questions and I am coming to a possible answer in a moment. This is what the consumers of Canada want in this legislation. They want legislation to provide labelling of the fibre content and also legislation to provide labelling for the care and cleaning of textiles. As I say, they are only getting a small half of their request.

According to the association, what the CAC would like is a series of simple symbols which would indicate at a glance how a material should be cared for as far as ironing, bleaching, hand washing or machine washing is concerned. Surely, that is not too much to ask. They want to know what they should do in order to look after and have looking well what they have bought. They want to know how material should be cared for as far as ironing, bleaching, hand washing and machine washing is concerned.

Let me ask again why the government is demurring? Why is it not doing this since we—I say we because I am a member of the Consumers' Association of Canada—have requested this? I have already suggested one possible reason. The one reason I have suggested is that perhaps these specifications for care and cleaning are not yet ready. That is not a valid reason because this bill could have been delayed for a little while.

• (4:10 p.m.)

I suggest there is another reason. When you go over this bill, you are rather inclined to believe that in drafting it the minister was far too concerned with the opinion of the textile manufacturers rather than with that of the consumers of this country. I think that this realization recalls the warning which I gave in this House over and over again when this department was being set up, that if you put consumer and corporate affairs within the same department you would have a built-in conflict of interest and the consumer would get the short end of the stick. I believe that this bill is showing up such a conflict of interest; it is considering the convenience of the manufacturers rather than that of the customers and housewives, who are the consumers all across this country.

The proof of this I believe is that the minister has made it abundantly clear that he is not in favour of making compulsory regulations to be observed by the manufacturers. He wants to do as he does with his Prices and Incomes Commission, bank heavily on moral suasion. I do not believe that in this day and age of complication, moral suasion will suffice. I am afraid that if the Minister of Consumer and Corporate Affairs (Mr. Basford) were to have his way, he would go down to the corner of Wellington and O'Connor, rip out the traffic lights, and say, "Let us have moral suasion to direct the traffic across the street. Everybody should restrain themselves, and moral suasion will direct pedestrians and cars alike". Perhaps the pedestrian might have the theoretical right of way, but the other fellow would have the truck, and it would not do much good to be right if you were dead.

In the matter of the labelling of textiles and other consumer problems, we have come to the stage where not the textile manufacturers, who are only a relatively small section of the community, but the consumers, that is all of us, should be given the right of way—although not all the right of way either. That is where the stop lights come in. If you instal traffic lights, then both the consumers and the manufacturers will have rights which will be regulated. I am all for the consumers; other people are all for the textile manufacturers. If we had compulsory regulations and compulsory labelling throughout, not only for fibre content but also for care of the product, we would know in what respects the consumer had rights and to what extent we had to respect the rights of the manufacturers. If this labelling is left to the voluntary co-operation of the manufacturers, they will either not do it or they will do it so halfheartedly that the consumer will not have the protection of proper labelling.

What I am suggesting is a system of traffic lights—a green light, a red light and an amber light in between to prevent collisions. This is what we need, and this is why I want to see proper regulations under this legislation. We should not leave labelling up to the manufacturer, as the minister wants to do.

I do not want to make a great production of this. I want to say that the Consumers' Association of Canada has been urging this type of

protection for many years. I should like to read their resolution on this subject which emanated from their latest convention which was held not long ago. The following resolution came to them from the Ontario Branch of the CAC and the Prince Edward Island Women's Institute. It was passed by the CAC. It reads as follows:

> Whereas the multiplicity of textile fibres and trade names and methods of fabric construction and finish makes intelligent purchase of textile products almost impossible, and
>
> Whereas the above factors make care, laundering and dry cleaning of textile products increasingly difficult for both the consumer and the dry cleaner and,
>
> Whereas sound information is seldom available at the time of purchase, therefore
>
> Be it resolved that CAC request the Department of Consumer and Corporate Affairs to establish regulations—

That is not moral suasion.

> —requiring that textile products be labelled with the generic name of the fibre or fibres, trade name and basic care information and that the label be permanently affixed, in a readily accessible place, to the product or its container.

That was passed by the CAC, which is the only Canada-wide consumer organization. Unfortunately, it does not have the membership it should have, and I for one would like to see it many times its present strength. Just this morning, in a television program here in Ottawa, I heard the minister say that he would like to have many Ralph Naders in Canada to protect the interests of the consumer and to bring pressure on his department to do things that needed doing. I suggest to him that he begin at home with the Consumers' Association of Canada. When they make a reasonable request he should consider it and turn a deaf ear to the textile manufacturers, realizing that this matter affects many more people than they and that he is legislating for the majority of the Canadian people who are the consumers of this country. I urge that he either withdraw this bill or amend it in committee to add to it the labelling, care and cleaning of textiles. I will serve notice right now that if he does not bring in such amendments in the committee, then I will.

We do not have any Ralph Naders in Canada unfortunately, but in the meantime I will settle for a good CAC that will put pressure on the minister for something that we need and that is worthwhile. So we shall support this bill up to the point where we can come up with something to improve it. I guess we will have to pass it anyway, but like the CAC we will not be happy with it unless the changes that are required, and that have been requested for so many years, are made.

[Mrs. MacInnis.]

[*Translation*]

Mr. Romuald Rodrigue (Beauce): Mr. Speaker, while the bill we are now considering does not suggest any answer likely to settle the conflict now prevailing in the textile industry, it still has some good points. I regret, however, it was not brought before the House a few years earlier.

When we consider, for instance, imports into Canada from 1964 to 1967, we realize that we have lost a significant part of the textile market.

Our industries have lost a rather substantial percentage of the market. The bill now before us will somehow help us to make up for the errors of the past and to compensate for the losses incurred in favour of countries that take advantage of circumstances to export to Canada without any valid reason.

Obviously, it is rather important to control the labelling, sale and advertising of consumer textile products. I am not a textile expert. When I happen to visit a store where such products are displayed, many times I simply try to find out from where the materials come without knowing exactly what they are made of.

The bill now under consideration, if the government does everything in its power to enforce compliance with its provisions, will be to the advantage not only of the consumers but also of the Canadian workers who rely upon the textile industry for their living.

No doubt the time had come for the introduction of a similar bill simply because every day and every week changes occur in the manufacturing methods of the textile industry.

This industry perhaps develops faster than many others in the world. Changes occur very rapidly. Therefore, it has become very difficult for the consumer to be in a position to know the exact quality of the product offered to him.

Often, consumers are offered low-quality products at the price of first-quality products. Our own textile industry is somewhat affected by competing countries where salaries are much lower than in ours.

I hope that the inspectors appointed by the government to enforce compliance with this legislation will make rather frequent checks so that the law is enforced and all producers, mainly those in the Canadian textile industry, are protected as they should be.

As regards volunteers, I believe the government has resorted for too long to its policy of non interference, especially as far as the textile industry is concerned. Today we have to cope with rather acute problems. It is about time for the government to take rigid measures so as to ensure the respect of our own laws on the part of the countries who are exporting their products to this country.

We must realize the importance of the part played by foreign countries on the Canadian market. Allow me to quote a few statistics for 1966. During that year, we received from foreign countries for $19.32 per head of textile products, as against $10.89 in the United Kingdom, $6.07 in the United States and $4.95 in the Common Market countries.

That means that we always resorted in the past to a volunteer policy with regard to the importation of textile products. As for the foreigners who came to Canada to sell their own products, we also let them free to advertise as they pleased. It was about time we had a law like this one with regulations concerning advertising, labelling, analysis and anything that concerns the sale of textile products.

• (4:20 p.m.)

Even if this legislation does not settle the problems now facing the textile industry, I think that in the long run, it will actually bring a valid, though incomplete, solution, and I hope that before long the Minister of Industry, Trade and Commerce (Mr. Pepin) will announce, as he said, a new bill to establish a comprehensive policy regarding the Canadian textile industry, particularly that of Quebec, because over 85,000 workers are drawing their main income from this industry, not to mention some 100,000 workers in the ready-to-wear industry.

I think it is most important to introduce such bills in the House in order to protect our textile industry which is, I think, the third largest in Canada.

Therefore, I hope that before long measures such as this one will be adopted so that our textile industry can hold the rank to which it is entitled in Canada.

[*English*]

Mr. David Anderson (Esquimalt-Saanich): Mr. Speaker, I am very pleased indeed that the Minister of Consumer and Corporate Affairs (Mr. Basford) has introduced this particular bill. Some time ago, back in October, 1968, I myself presented a private member's bill which attempted to do in five lines what the minister is attempting to do in 12 pages. But I think that essentially the purposes of the two are the same, and that we will get from this bill correct labelling of fibre content.

Correct labelling is very important, Mr. Speaker, but the trouble is that even correct fibre labelling will not necessarily solve one problem, which happens to be the education of consumers with respect to the properties of all the weird and wonderful names of fibres. So, while this is a step in the right direction, with this particular legislation we are far from being out of the woods.

Like other hon. members who have spoken, it is my hope that this legislation will be followed, either by amendments in committee or perhaps by further legislation, if that is the better way of doing it, which would expand the area of consumer protection. I do not wish to bore the House with long lists of names of fabrics which happen to be quite unintelligible to me, and I am sure as well to other hon. members, and knowing whether or not these fibres are in garments is of no value to the consumer. But this information is of value to the dry cleaners and other persons handling garments in a professional way, because they have the expertise to understand the purposes of this labelling.

But I would mention a couple of areas where we must deal with some problems when this bill is in committee, or else by the introduction of subsequent legislation. The first has already been referred to in this House. It is the question of handling instructions. For example, if you know that a particular garment is half nylon and half wool you might not know how it should be treated when you are washing or dry-cleaning it. The purpose of a further system of labelling would be to indicate the ironing temperature that the housewife should use when ironing the garment. It would indicate the water temperature for both machine washing and hand washing.

I have in mind the system used in Europe and in England whereby through symbols the housewife, and even someone completely uneducated in these matters, such as a bachelor like myself, will know how garments should be treated. I have a Swedish label here which I wish I could table as an example. It gives the wool and artificial fibre content, and the temperature at which the garment should be ironed. It tells you that it should be steam ironed, and it tells you it should be dry

cleaned. It has a little X on it which indicates that it should not be washed.

The shirt I have on, which is an English shirt, has a label on the tail which says, "machine washing—warm—minimum 40 degrees Centigrade; hand washing—warm—40 degrees Centigrade—do not rub—spin—do not hand wring." It also gives the bleaching instructions and the ironing instructions. That is the label on the tail of my shirt, Mr. Speaker, and I can assure you that it is not a Stanfield product.

Mr. Hales: It is the wrong colour.

Mr. Anderson: Perhaps we could adopt a similar system in Canada, so that when you buy longjohns from the family concern of the hon. Leader of the Opposition (Mr. Stanfield), or otherwise, you will know exactly how to treat them to avoid the embarrassing situation of having your longjohns shrink on you. This is something which must be included in future legislation or, as I have suggested, in amendments proposed to this bill in committee. Indeed, it was the hon. member for Vancouver-Kingsway (Mrs. MacInnis) who suggested that this would be the way of dealing with it. Perhaps the minister, when he comes before the committee, willl be able to explain why he has not done so at this time, and I hope he will be able to satisfy the hon. member for Vancouver-Kingsway and myself.

• (4:30 p.m.)

Now, I wish to refer to one other point which is not mentioned in the bill, but which is a critical matter. It has to do with the flammability of fabrics. Last year in the United States there were approximately 1,500 to 3,000 deaths caused by garments catching fire. We can assume that in Canada the number of deaths per 10,000 population would be higher because of our different climatic conditions. It is extremely important that children's clothing in particular be treated so that they are less flammable than normally. Perhaps this is not so important for natural wool, which has a good resistance to fire, but most of the new fabrics coming out are based on petroleum products or wood products and are highly inflammable. It is important that some system of testing be established so that garments can be tested for flammability and this could be marked on the garment itself.

I do not want to belabour the point but in the Vancouver *Sun* of November 6, there is an item headed, "Fire Kills Resident in Sr. Citizens' Home in Nanaimo," and I quote:

> A fire department spokesman said the preliminary investigation indicated that the woman's clothing caught fire when she came in contact with a hotplate.

The day following, in the Victoria newspaper under the headline, "Hands, Tummy Scorched Blouse Smoking Mess" there was a description of an accident which took place in a high school in my riding. A girl suffered burns as a result of her blouse catching fire in the cooking class at school when her garment happened to be near a hotplate. This is the sort of thing, especially where children are concerned, that we should be able to do something about with a system of labelling. Perhaps some fabrics should be banned outright if they do not meet certain criteria, particularly artificial fabrics. On some ships such as the *Queen Elizabeth II,* almost all the furnishings are of wool because of this problem of the flammability of artificial fabrics. Perhaps this problem is not too well publicized in Canada, but perhaps the minister, by legislation or by advertising campaigns, could make people aware of it. In my opinion, this bill should be amended or the minister should bring in another bill similar to the United States act which is 15 USC 1191, 67 Stat. 111. This is the American Flammable Fabrics Act which has the same purpose, that of attempting to reduce danger to the consumer who might innocently buy a garment or fabric with a high flammability level.

Only if we can get a decent system of labelling in this country, with the flammability of materials marked on the garment, will the consumer be able to determine which fabrics are most desirable. This is particularly important in respect of children's garments where the buyer of the garment may not be as concerned about the problem as an adult would be.

With these provisions and reservations, Mr. Speaker, I endorse the bill which the minister's Parliamentary Secretary so ably brought in and presented to us. I hope that in committee some of these other factors will be looked into and that amendments to this particular legislation or future legislation will deal with the points I have raised this afternoon.

Mr. A. D. Hales (Wellington): Mr. Speaker, I appreciate the opportunity of saying a few brief words on this bill concerning the labelling, sale, importation and advertising of textiles. First of all, however, I want to compliment the Parliamentary Secretary to the

Minister of Consumer and Corporate Affairs for the able way in which he introduced this legislation. This may be the first time he has introduced legislation and I think it is rather unfortunate that he did not have a better bill to introduce.

My remarks are going to be along the line of asking, why take the time of this House and time of the committee to introduce a 'half way measure bill', an ad hoc piece of legislation which does not give consumers what they want, nor does those things which the textile industry wants? For the life of me, I cannot understand why the government brought in this half way measure. Indeed, I feel like asking the government to withdraw this bill and bring in another that would give the consumer what he wants, namely, labelling to indicate the way in which the material should be cleaned; its safety features; how it should be pressed or ironed, etc. I cannot do better than refer to what the hon. member for Esquimalt-Saanich (Mr. Anderson) said when he gave all the reasons why this bill was ineffective and why it was a half-way measure. I cannot understand why the government did not complete the bill. There are some useful things in the bill, but before I describe those let us take a look at the practical application of it.

Here is a bill asking the industry to make, print or produce labels that will be attached or fastened to the various pieces of fabric. The industry, therefore, as soon as this bill is passed and implemented, has to have labels manufactured or printed. Now, the industry may order a year's supply of labels on which would be printed the percentages of the various fibres, etc. Then, the government may introduce another bill dealing with the aspects of cleaning, safety features and all the other symbols that the consumer wants. This would mean that the industry would have to scrap the original labels and buy new ones. Surely, Mr. Speaker, we could get together on this thing and save the manufacturer some money in the cost and preparation of labels.

These are the practical aspects about which we should be thinking, Mr. Speaker. Let us not deal only with theory. I hope this bill will be studied in detail in committee, and I should like to ask a few questions that may be answered there. The trade finds it difficult to understand this piece of legislation as it nows exists. For instance, the percentage of textile fibre; is it the percentage of textile fibre or is it the percentage of the total weight of the product? And who is going to pay the fine if a garment is not labelled according to the terms of the legislation? Is it the manufacturer or the person selling it? And if it happens to be an imported article, will the importer have to pay the fine?

I could not help but note that the hon. member for Saint-Hyacinthe (Mr. Ricard) was called to order when talking about importation. If we allow the importation of textiles to continue we may not need to worry about a bill to cover labelling; they will all be labelled in the United States or some other part of the world. Then, does the label have to be sewn on the garment or could the manufacturer put the textile product in a polythene bag and put the printing on the bag? Will that suffice? The bill does not spell this out too clearly. If the bill becomes law, I hope manufacturers will be given an opportunity to use up their old labels, before having to purchase new ones.

• (4:40 p.m.)

Of course, the matter of inspection will create tremendous problems and many inspectors will be required. The hon. member for Esquimalt-Saanich spoke about symbols, about the cleaning and washing of fabric, and certainly illustrated his point that great confusion may result in the industry, and among consumers, particularly when generic names are introduced on labels. I submit that the confusion then will be greater even than now. This matter ought to be considered when the bill goes to committee. I realize that the 2,000 odd brand names of manmade fibres created in this great technological age have brought problems to the consumer, who finds it much more difficult to choose now than he did when he had only wool, cotton, linen and silk from which to choose.

In conclusion, Mr. Speaker, I fault this bill for being a half way, ad hoc, incomplete kind of measure which is a waste of the time of the House and of the committee. I am in favour of sending the bill back to the department with the request that they bring in a complete, up to date bill which will give the Consumers' Association what it has asked for and the general public the protection and information they requested.

[*Translation*]

Mr. Louis-Roland Comeau (South Western Nova): Mr. Speaker, I shall be very brief.

I simply have a few questions to ask the Parliamentary Secretary to the Minister of Consumer and Corporate Affairs (Mr. Langlois).

I would like to know who actually made this proposal and who will be mostly affected by the bill? I am asking this simply because, as other members, in particular the member for Saint-Hyacinthe (Mr. Ricard), I am interested in knowing what effect the bill will have on the textile industry which is facing numerous problems.

It has even been mentioned that an industry in my riding which has 700 or 800 employees might be closed.

I am surely not against the protection of consumers. I think that most consumers have a right to be protected and to know what they are buying and wearing. They are nevertheless interested in those problems, since they are the ones who spend money to buy textile products.

The industry has a great number of employees and this is why I would like to know who is the sponsor of this bill and what will be its effect on the textile industry. The committee will perhaps provide an answer if the parliamentary secretary is unable to do so.

The Acting Speaker (Mr. Béchard): I must advise the hon. members that if the parliamentary secretary speaks now he will close the debate.

Mr. Paul Langlois (Parliamentary Secretary to Minister of Consumer and Corporate Affairs): Mr. Speaker, first, I should like to thank heartily the hon. members who participated in the debate in order to enlighten us on this bill, in particular the hon. member for Vancouver-Kingsway (Mrs. MacInnis), as well as some others who had such pleasant things to say about me. Indeed, the hon. members no doubt realized that I was making my debut in the house. So they were kind enough to allow the government to have the motion for second reading of bill S-20 passed this afternoon.

Already I dread any possible further attempt on my part, when the hon. member for Hamilton West (Mr. Alexander) will be in the house, ready to take me on.

[*English*]

Mr. Alexander: Wait until next time.

[*Translation*]

Mr. Langlois: I would like to make some comments further to the remarks I just heard.

First of all, the hon. member for Saint-Hyacinthe (Mr. Ricard) complained about the absence of the minister who, in his opinion, should have been here to pilot the bill. I understand quite well the hon. member for Saint-Hyacinthe who realizes perhaps much better than I do that the minister could have given a far better performance. However, the minister had asked me to pilot this bill in the House, and I think that in our parliamentary system, it is desirable, if not necessary, that at times some duties be entrusted to parliamentary secretaries.

The hon. member for Saint-Hyacinthe dwelled at length on the fact that Bill S-20 does not provide any regulations with regard to textile imports. That is not surprising since it was not submitted to the House for the purpose of regulating imports but rather for that of regulating the labelling of textile products.

His comments should, I believe, be addressed to the Minister of Industry, Trade and Commerce (Mr. Pepin), who is well aware of the problems of the textile industry. However, the latter will be informed of the representations of the hon. member.

I would like to point out, however, that, indirectly, Bill S-20 can surely help the textile industry of Canada, since the textile content of imports will be controlled. So, Canadian producers and dealers in textile products, whether such products are made in Canada or imported, will at least be speaking the same language with regard to quality, or to quantity as far as the textile components of the products they are selling are concerned.

• (4:50 p.m.)

After hearing the hon. member for Saint-Hyacinthe, I had the pleasure to listen to the hon. member for Vancouver-Kingsway and I congratulate her. I commend her especially because she is keenly interested in the cause of Canadian consumers. When she says that there is no Ralph Nader in Canada, I say to her that at least the hon. member for Vancouver-Kingsway is doing the job most satisfactorily, I think.

She said at a certain moment that she would pass from the language of Molière to that of Shakespeare because according to her it is in the latter that she can best express herself. I think that the hon. member for Vancouver-Kingsway is too modest. She could very well have made all her speech, without any text, in the language of Molière. I congratulate her and I thank her for the courtesy she showed by talking quite a while in French.

As to her main concern about the bill—and I allude to the comments from the Canadian Consumers' Association—I shall point out to the hon. member that even though Bill S-20 does not deal with a maintenance programme for textile products, as the minister will certainly be happy to state in the Standing Committee of the House, it contains provisions about a Care Program which will not be part of the legislation. It is a program which will be based on voluntary work. We hope that the Canadian textile industry will take part in this program which will certainly be profitable to all and in particular to consumers.

About the Canadian Consumers' Association, we have been pretty much surprised by the press release, published on February 20, about Bill S-20. We had had very full discussions with the members of this Association who had been commissioned for this purpose. As a matter of fact, Mrs. C. Woodside and Mrs. J. Tessier have had discussions with the officials of the Department of Consumer and Corporate Affairs. They seemed very satisfied with what Bill S-20 would contain. In this connection, they wrote to us that we could rely on their sincere support.

One of them, Mrs. Woodside, discussed with the official of the department the issue of Care Labelling. She is even a member of this committee on Care Labelling. She is very much aware of the situation and we know her views on the matter. If, at present, the bill does not deal with Care Labelling, it is on account of technical difficulties that the minister will be pleased to set forth during meetings of the Committee on Health, Welfare and Social Affairs, which, I suppose, will consider this bill clause by clause.

I would like to point out to the hon. member that before a care program was established, it was primordial to introduce a bill that would make it compulsory for manufacturers to reveal the textile fibre content of the article, because it is impossible to have one without the other and it was of great importance to begin with Bill S-20 and then set up, as we propose to do, a Care labelling program.

According to the hon. member for Beauce (Mr. Rodrigue), that bill should have been introduced several years ago. I do not object to the hon. member for Beauce saying so. This may be true. There are many things that perhaps should have been done several years ago. However, I should like to point out to him that it is never too late to mend. It would be better to pass Bill S-20 now than in five years' time.

As far as the hon. member for Esquimalt-Saanich (Mr. Anderson) is concerned, I am sure he will attend the hearings of the committee responsible for that bill. In addition, the minister will be in a position to answer the questions he so rightly asked.

As regards the hon. member for Wellington (Mr. Hales), who simply suggests that we shelve this bill and come up with a more complete one, I think that my earlier remarks on the subject, in connection with his specific questions as to what would happen to a manufacturer who would have a year's supply of labels are also applicable. The last clause of the bill reads as follows:

> This Act shall come into force on a day to be fixed by proclamation.

The minister and the officials of the department know that some adjustments will have to be made in this industry, and this only after a certain amount of consultation. The department will have to elaborate regulations with the agreement of representatives of the textile industry which on the whole is favorable to Bill-S-20.

It is nearly time for private members' business. So I would like to conclude with a word to the hon. member for South Western Nova (Mr. Comeau) who has asked who initiated this bill.

It seems to me that the initiative came from the consumer associations which have been calling for a bill such as Bill S-20 for several years.

I thank the hon. members for their co-operation on the occasion of the motion for second reading of Bill S-20.

[*English*]

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

Some hon. Members: Agreed.

Motion agreed to, bill read the second time and referred to the Standing Committee on Health, Welfare and Social Affairs.

MOTION TO ADJOURN UNDER S.O. 26

GRAIN

WHEAT—EFFECT OF ACREAGE REDUCTION PROGRAM ON FARMERS

Mr. Speaker: Before proceeding with the calling of private members' business, I wish to refer to the motion proposed by the hon.

member for Saskatoon-Biggar (Mr. Gleave) earlier today under the provisions of Standing Order 26. I begged the indulgence of hon. members to give the Chair a further opportunity to look into the matter and to reach a decision.

I have given the motion and the subject matter of the proposed motion much consideration since then. The doubts which I had at the time are still very much in my mind. These doubts referred particularly to the requirement of Standing Order 26, that the motion should not be granted if there is a probable opportunity for the consideration of the subject matter of the motion by the House. At the same time, I had to take into account the very serious nature of the matter raised by the hon. member for Saskatoon-Biggar and the obvious interest of all members of the House. I felt if I had a reasonable doubt, that should be resolved in favour of the private member proposing the motion.

Although I still have some doubts, and although I believe there may be opportunities within a reasonable time for consideration of the subject matter, namely supply motions and, more particularly, the budget debate, in view of my doubt I resolve—this in favour of the hon. member for Saskatoon-Biggar and suggest there should be a debate on this matter when the House resumes its work at eight o'clock this evening. Has the hon. member leave to move the motion?

Some hon. Members: Agreed.

Mr. 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, public bills.

• (5:00 p.m.)

PRIVATE MEMBERS' NOTICES OF MOTIONS

EDUCATION

REQUEST FOR NATIONAL CONFERENCE ON UNIFORM STANDARDS AT PRIMARY AND SECONDARY LEVELS

Mr. Louis-Roland Comeau (South Western Nova) moved:

That, in the opinion of this House, the Government of Canada should consider the advisability of taking the initiative in securing the collaboration of the provinces in the convening of a national conference on uniform standards in primary and secondary education.

[Mr. Speaker.]

He said: At the outset, Mr. Speaker, let me make this clear: I do realize that education is a provincial responsibility under our present constitution and I do not believe the federal government should become involved in education to a greater extent than at present. Section 93 of the British North America Act clearly defines the rights of the provinces in the field of education. This situation has resulted, however, in the development of ten educational systems, each claiming to be of superior quality. I believe we have good provincial educational systems, but what concerns me most is that each province in Canada has determined its standard independently and evaluated its own processes.

[*Translation*]

That is why I introduced the motion we are debating today. The problem of education is important enough indeed to be discussed in the House, especially if we intend to coordinate the ideas and the education programs of the various provinces.

The motion advocates the organization of a national conference to establish uniform standards in all provinces concerning the education of our children.

This means that a student will not be handicapped when, for instance, his parents are forced to move to another province. As stated in the Winter 1968 issue of *The Canadian Public Administration,* interprovincial co-operation in the field of education has improved over the years.

Officials of various departments have met from time to time, but this co-operation is not quite enough to solve the problems of education on a national scale.

I am interested in this subject because many Canadians move from one province to another in the course of a year.

[*English*]

According to the annual statistical report published by the departmental services offices of the Department of National Health and Welfare covering 1968-69, 53,503 families moved within Canada in that year. On an average there are two children to a family, so more than 100,000 boys and girls moved from one province to another during the past year. I submit that this is a substantial figure and if I were permitted to hazard a guess I would estimate that at least half these students encountered a loss of credits in some way or another as a result of travelling from one province to the next. It is obvious that

this would have occurred. I encountered this difficulty myself as a young student attending three universities; each time one goes to a new university one encounters a new system of credits, and some credits are lost because each province looks upon its own system as being the best. Each province is proud of its system of education, and rightly so. As I suggested earlier, the provinces are doing a fairly good job in educating our children, at least in my opinion. We have a good educational system. My concern is that there is insufficient co-ordination or co-operation between the provinces in this field.

Some hon. members might object to the government of Canada taking the initiative in the calling of a national conference on education, which is what this resolution asks. However, no province has seen fit to take the initiative in the past. We know that the premiers meet in Ottawa every now and then, that the ministers of finance are called to Ottawa every so often and that various provincial ministers of other departments come to Ottawa from time to time to discuss matters with their counterparts. So the way is already prepared, as it were, for a national conference on education. There have been some meetings between education ministers in the past, but I do not feel they discussed this particular subject sufficiently or, at least, to my satisfaction. This could certainly be a topic of discussion for once, particularly since we are in the process of drawing up a new constitution, and education is involved in these considerations. Again, I am not suggesting that the source of authority be changed from provincial to federal. Rather, I have in mind that we should co-operate in order to avoid the time of our students being wasted through no fault of their own.

It has been said that home ownership in Ottawa lasts on an average for seven years. This figure may be wrong, but it gives us an idea of the mobility of Canadians. From the fact that 56,000 families moved from one province to another in a single year, it can readily be seen that Canadians are quite mobile. Mobility is the trend today, particularly among young families. They move. They visit other parts of the country. For my part, I find it shameful that some provinces should not recognize the educational standards of others. I might add that even within a province standards sometimes vary.

I do not wish to speak at length on this motion. I recognize that others wish to say a few words. I know that other hon. members have written theses or papers on this subject; they have told me of their desire to speak on the motion.

[*Translation*]

As I said earlier, Mr. Speaker, I do not object to the contents of the courses offered by the provinces. I think that the variety of courses is all the better for Canada. I do not think that the same textbooks should be used throughout Canada or that the same courses in geography or mathematics should be given everywhere. But while taking variety into account, the educational level should be similar and this is what is most important. It is not necessary that in all the provinces, the textbooks and the courses in physics and chemistry or in any other branch be similar, but it is essential that the level be the same, because the particular characteristics of each province's programs are surely valuable. I know that in certain areas in Canada, there are some courses available which do not interest other provinces, but I think that courses of equal level should be recognized as such throughout Canada.

• (5:10 p.m.)

[*English*]

The level of education could be set by conducting standardization tests. Various tests are given students today. For example, most of the students entering universities in Canada and the United States are subjected to uniform testing to establish their level of education. I suggest this could also be done not only at the secondary level of education but also at the elementary level, perhaps after grade six, at junior high and, of course, at senior high. This testing could be administered by the school system, and efforts could be co-ordinated with the various provinces. If a standardization test were applied after the primary or elementary level of education all across Canada, it could serve as a guide when families moved from one province to another.

I am not saying that all the various provinces should use the same manual or textbooks, but rather that the students who have taken various courses should be given full credit for them. Most of the time what happens is that the students take what is really a backward step in their education when moving to another province. This is because each province feels, and rightly so, that its education system is better than its neighbours.

I realize that education is a provincial matter. All I am asking for in this motion is for a conference on education to be called by the federal government, particularly at a time when we are debating our constitution, in order to standardize education across Canada in a better fashion than has been the case in the past.

It might be argued that the federal government has no jurisdiction over the matter of education. However, in light of the money that is disbursed by the federal government for educational purposes, one soon realizes that the federal government must concern itself with education, and I think is so concerned. The federal government should work toward establishing standards for school children, which would be of great assistance to those who travel.

As I say, Canada is a young country. Many members of the armed forces are called upon to travel from province to province within the school year. All kinds of people have to travel, young and old. This is why I feel that the matter should be debated, and why I bring it to the floor of the House of Commons. I advocate the holding of a national conference to determine ways and means of providing standards of education for Canadian school children.

Mr. Judd Buchanan (London West): Mr. Speaker, one of the persistent complaints about Canadian education is the lack of uniformity among the ten provincial school systems. This dissatisfaction is mentioned most often by those who speak on behalf of pupils involved in interprovincial transfer. Educational systems and standards do vary from province to province, and students who transfer are likely to find such differences as grade organization, program offerings, course content, matriculation requirements and the opportunity for second language study.

Having said that, like the hon. member opposite I, too, should like to draw attention to the fact that we are on very delicate ground here from the constitutional point of view. As we are all aware, this is an area highly cherished by the provinces, and which unquestionably under section 93 of the Act does fall within their sphere of responsibility.

The hon. member commented on the holding of a national conference to deal with this matter. I believe that early in his remarks he indicated that the provincial ministers are very well aware of the problems raised in his motion, that they have taken steps over the past four years to grapple with these problems.

In 1967 there was established a standing council of provincial ministers of education with a permanent secretariat. Under their aegis various meetings have been convened, bringing together representatives of the various provincial departments to consider mutual problems and to try and resolve them.

What is meant by uniform standards? I assume that the hon. member is asking for uniform standards in curriculum at grade level. If he is, then I suggest his thoughts are running contrary to present thoughts on education. The whole question of uniformity and standardization in education is a particularly current topic in view of the increasing emphasis being given by reformers in the educational system on the needs of the individual student.

The Hall-Denis report "Living and Learning", recently published in Ontario, is symptomatic of this trend. If I may quote from the report:

> The curriculum must provide a greater array of learning experiences than heretofore. Classes must be more mobile, within and beyond the local environment, and the rigid position of education must yield to a flexibility capable of meeting new needs.

And again:

> Our schools often expect the child . . . to be stuffed or programmed like a computer . . . Recently, however, there has been in many schools a transition from this outdated approach toward a child-centred program in which every effort is made to fit the learning opportunity to the potential, tempo, and level of understanding of the individual child.
>
> . . . the ultimate responsibility for making decisions concerning pupils belongs to the teacher, who must have the competence and authority to do so. Principals and their staffs need relative autonomy in matters of curriculum planning.

These are but a few of the progressive, liberal concepts of education presently being advocated. It is clear that the very notions of uniformity and standardization represent an anathema to the reform-minded educator. Basically the system is trying to promote innovation, flexibility, greater teacher freedom in the curriculum, and more local responsibility. I think that all who are involved in education view this as a trend that they consider desirable and which they are most anxious to encourage.

In past years, ministers of education of the four western provinces had close co-operation on these matters, and it was relatively easy for them to establish some inter-provincial guidelines when schools were functioning by

grade promotion and relatively rigidly structured programs. However, over the last two or three years, with the new trends in education based on the thoughts to which I have referred, they have found it much more difficult to make arrangements to cope with today's demands.

This is not to suggest that children of families that move from province to province do not face educational problems. However, I should like to say that I do not think that those problems are as great or grave, from the numerical point of view, as the hon. member has indicated. Unfortunately my colleague, the hon. member for Thunder Bay (Mr. Penner), had to be in his riding today. He was most disappointed since this was an area, and I think this is what the hon. member for Southwestern Nova (Mr. Comeau) made reference to, in which he prepared a paper for one of his courses at university. He did quite a considerable amount of research which would indicate that the figures from the Department of National Health and Welfare, which were based upon family allowance transfers, did quite greatly exaggerate the number of transfers which would affect students in school. As he pointed out, a great many of these transfers are made during the summer months when disruption was much less than it would be during the school year.

• (5:20 p.m.)

As I remarked earlier, the provinces are aware of this problem and are struggling with it. The most feasible and desirable solution it would seem can be found at the local level by providing counselling services for these transfer students and by arranging programs for them that fit their background and educational experience. This solution was not possible before because each province tended, as I have indicated, to have these rigidly standardized programs, differing from province to province. The flexibility of the provincial curriculum and the removal of uniform standards in the provinces will allow schools to respond to individual student needs. Thus, the ironic solution to the problem might well be less uniformity rather than more uniformity.

Furthermore, one might argue for uniform standards with good intentions, but the end result might be less than satisfactory and lead to rigidity and stultification of our educational system. Any attempt to direct national curriculum and administrative procedures would have a detrimental effect on the incentive and initiative at the local level. A fellow maritimer of the hon. member who made this motion, Dr. Frank MacKinnon, the principal of the Prince of Wales College in Charlottetown, Prince Edward Island—

Mr. Stanfield: He used to be.

Mr. Buchanan: He used to be. In dealing with this subject in his book which has received a great deal of publicity, he suggested that then experimentation, competition, criticism and inventiveness would decline and the educational systems would lose the spirit and flexibility which are so vital to education. R. A. Butler, former Chancellor of the Exchequer in Great Britain, in dealing with this area suggested:

> The influence of the state in our daily lives has grown greatly in the past century. Not all of these accessions of power are to be deplored. On the contrary most are to be welcomed.
>
> But there is a danger against which we have to guard. The danger is that the state should become all powerful and the people merely unidentifiable units. We must not allow our children to become like peas in a pod or units in vast educational factories where their individuality would be lost.

He goes on to state:

> In the name of sanity and all educational experience do not let us make the mistake of backing uniformity before everything else.

In conclusion I should like to suggest that this motion has the effect of making more rigid and stratifying our structure, when really the solution and outcome should be more freedom at the individual and municipal level, giving the teacher more power to develop and design programs which fit in with these students who move from province to province.

Mr. Ed Broadbent (Oshawa-Whitby): Mr. Speaker, I am going to have the rare experience in this House of having to follow a Liberal speaker and being almost 100 per cent in agreement with him. I too, in one sense, am filling in for a member of the NDP, the hon. member for Fraser Valley West (Mr. Rose) who has prepared a fair amount of material on this subject which is and has been of interest to him for some time. Since he is busy working in his constituency today, I am going to offer a few words and thoughts on this important resolution before us. Incidentally, I have no way of knowing how much of what I am going to say would correspond to the kind of argument that might have been presented by the hon. member for Fraser Valley West. I shall no doubt hear when he gets back.

It seems to me the central question is not a constitutional one. I think it is quite proper,

as the resolution is worded, for the federal government within the general peace, order and good government clause of the constitution to initiate conferences with the provinces on this subject and to propose that the question of uniform standards be addressed and considered. I do not think there is a serious constitutional argument against that.

The real question seems to me to involve the desire to have uniform standards of education. It was not long ago that I think most enlightened opinion in Canada, indeed in the western industrialized world, was to the effect that it was desirable in a state to have common standards throughout so the people could progress according to their age through the educational system, no matter where they happened to live in the country under consideration.

It has been recognized for a number of years by individuals, and more recently by some of the provincial governments within Canada, that uniformity is not a very desirable thing to stress in education. Indeed, it is a very bad thing to stress when we are seriously concerned with the development of creative and responsible human beings. Human beings are not identical in ability, talent or interests. So that the kind of educational system we should have in Canada, or anywhere else as far as that is concerned, is one which would maximize the state's efforts to bring out what is unique in every individual and maximize the efforts of our teaching institutions to be flexible in their approach to children rather than to impose a rigid structure on whole groups simply because they are at the same chronological age level.

Therefore, the argument that was offered by the member for Southwestern Nova (Mr. Comeau) for uniformity as a desirable objective, is not a good one in principle, and seems therefore, to be unacceptable. Let me go back a bit. One of the points he stressed was that something like 100,000 children could be affected by being set back a year or ahead a year as a result of moving from one province to another. I should like to ask the hon. member whether he really thinks that is such a serious question now. Since in terms of past experience—not too distant in the past—this could well constitute one tenth or one eighth of a youngster's total education time, at one time it was an issue. At the present time, it is quite clear that younger people are spending a much greater proportion of their lives in our educational system. So in quantitative terms, they are not going to be affected proportionately that much.

An hon. Member: Try to tell them that.

Mr. Broadbent: My colleague says I should try to tell the children that. It seems to me that strictly speaking this is his job or the job of anyone else who has children. What should be impressed seriously upon children is the fact that what is important in education is providing conditions for children to develop into creative, responsible and contented human beings. We should get away from this whole damn quantitative aspect of seeing education as limited to 12 years, 18 years or 20 years, rather than as a lifetime process. I am not that concerned that for a number of children this will mean they will have to spend another year in our educational system as a result of moving from one province to another.

• (5:30 p.m.)

The much more serious question is the uniformity one. I think the hon. member for London West (Mr. Buchanan), who has just preceded me, presented the argument briefly but well. He said that our educational system should not concentrate so much on uniformity within our federal state, or even uniformity within our provinces, but rather on breaking down the rigid patterns and approaching each child as much as possible in terms of the allocation of resources and treating him as a unique human being. It is not even necessary to keep to a strict grade system.

If it were argued that what we should have are relatively frequent national conferences on education at which all the provinces come together to discuss education at the elementary and secondary school levels, then I, for one, would be in favour of this kind of development. However, what they should be discussing is not the imposition of a uniform standard from one coast to the other but what each province is doing; what is new in Nova Scotia; what is new in British Columbia, and what interesting pedagogical techniques are being introduced here or there. They should be discussing what new courses are being introduced, for example, in Alberta, that should now be introduced in Ontario. It seems to me that a conference organized on a national basis under the auspices of the federal government which seeks to bring responsible people from the provinces together to discuss this matter could indeed be very useful. It could facilitate genuine improvements in education from one coast to the other but would

not, and indeed should not in my view, facilitate the imposition of uniform standards.

Mr. D. Gordon Blair (Grenville-Carleton): First of all I should like to congratulate the hon. member for South Western Nova (Mr. Comeau) for introducing the very important subject contained in the resolution for our consideration. It seems to me that our educational system has always been one of the most serious matters in the whole realm of public affairs. Already in this session I expressed in the debate on the constitution my view that one of the sacred cows in our constitution, and our whole political philosophy, is the belief that education must be controlled completely by the provinces. I am of the opinion that the complex educational structure which we have in this country is not either sufficient or adequate to meet the needs of modern Canada. It might have been adequate and sufficient in a previous age when people in this country lived in one province, or indeed in one place in a province, for practically all their lives, but it is not suitable for the kind of mobile population we now have.

It can be taken for granted that many, if not most, people in this country will make one or more major moves during the course of their adult lives, taking their children with them from one part of the country to another. These moves are important to our citizens in terms of the advancement of their careers and the development of their capacity in whatever line of activity they are following. They should also be important not only for the adults but for the children, because the mobility that we have in this country gives us an opportunity to show our people and our children all parts of Canada. However, far too often the result of one of these major moves of the family is not to enhance the education and broaden the horizons of the children but to confront them with grave, if not insoluble problems.

I favour conferences on education. I am not so sure that we should strive to have a lockstep, uniform curriculum in Canada, but I doubt very much if that was really in the mind of the sponsor of this motion. He is shaking his head, so I can tell that it was not. He is concerned I think, as I am, with the children who are confronted daily with the result of the present absurd educational system which we have in Canada. I was shocked to hear the hon. member for Oshawa-Whitby (Mr. Broadbent) ask: "What does it matter if a child loses one tenth, one eighth, or whatever percentage of his educational years by reason of a major move?" He said that quantitatively it does not make much difference. I find this kind of thinking hard to understand, especially when it comes from a person with the kind of child oriented type of philosophy which is dominant in Ontario at present. This is what this discussion is all about. It is about the effect of this absurd system of education, not on parents, educators or teachers, but on children. The results are frequently serious and sometimes catastrophic.

Mr. Broadbent: Would the hon. member permit a question? I am not sure that I clearly understood the hon. member's reference to me, and if I did not it may be because he did not understand my point. I think it is a serious point. It is precisely because I am concerned with the effect which our educational system has on our children that I was arguing that what is desirable is a very flexible system from one province to another. Then, if a child moves from Saskatchewan to Ontario, and the system of education is child oriented and flexible, he could readily adapt to the new program. The system of education should not be a rigid, uniform system where a child moves from one grade 6 to another grade 6.

Mr. Blair: I welcome the clarification but I understood the hon. member to say that if a child was in difficulty, one patted him on the head and said, "Too bad, little boy, but after all this represents only one tenth or one eighth of your educational life and you will have to learn to live with it". This is not my point. My point is that the present system is hard on children, and this is the reason for doing something about it.

My constituency is made up in large part of public servants and members of the armed forces, and I doubt very much if there is any other group in Canada which is compelled to move more in the course of their careers than members of the public service and of the armed forces. I have found on inquiry that it is not uncommon for a family, the father of which serves in the armed forces to make six, eight or ten moves of a major kind during the father's service life.

I have discussed this problem with many of my constituents. I found during the election campaign when going from door to door, as all of us did at that time, inviting the opinions of people on public matters, that many times people said to me the major problem they saw in Canadian politics was the fact

that the educational system was incoherent and not uniform. Let me give some examples. I think it is typical of the present situation that a family which moves from one province to another finds that at least one of the children loses a school year. There are problems in the subject matter of courses. Some provinces teach the new math and some teach the old math. In some provinces one period in history is taught in grade four, while in another province the same period in history is taught in grade six, and a child who moves may miss that period completely.

Mr. Broadbent: What if they are all backward?

Mr. Blair: They are probably your supporters.

Mr. Broadbent: What part of the province do you come from?

• (5:40 p.m.)

Mr. Blair: If the children are confronted with these major problems, and I suggest for the consideration of hon. members that indeed these problems are aggravated nowadays rather than minimized by reason of the fact that the educational process has been loosened up. There are more options, and more attention is paid to the individual needs of students in one province than in another.

I think some hon. members are very familiar with the problem of teenagers. The disruption in the life of a teenager being moved from one school to another is very grievous. But it becomes, as I have found, almost intolerable when it is coupled with what the child feels is lack of academic accomplishment. I remember one lady describing to me what happened to her family when they came to Ottawa. The children had been doing well, but in their new and strange environment two of her sons had lost a year. They seemed to lose all sense of accomplishment and initiative, and became drop-outs.

Our total educational system should be devised to give an incentive to children to continue their education, and not to create these artificial barriers against the attainment of proper education. The universities in the different provinces have accommodated themselves mostly to the requirements of their individual provinces. Sometimes it has happened that families have moved at a time when children were ready to go to university. They might have qualified to enter a university in the province they left, but were not qualified to enter a university in the province to which they went.

I say that the problem is one of the youth and of the children. These are the people we should be thinking about. There are enough pressures of one kind or another on young people today, pressures of all sorts and conditions created by our materialistic society and the temptations which are presented to young people. But this added pressure of a differential educational system in this country is one under which young people frequently crumble. It is no mark of credit to our society and our country that that kind of disconnected, incoherent, disorderly educational system operates across Canada.

In conclusion, Mr. Speaker, I suggest that there is great merit in the government of Canada taking steps to organize national discussions which will lead to some kind of better rationalization of our educational systems, and which will have the effect of thinking not about the administrators, not about the teachers, not about the school boards, not about the position of this department of education or that department of education, but rather about the children of Canada who certainly are the sufferers under the present system.

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, I first of all want to congratulate the hon. member for Grenville-Carleton (Mr. Blair) on two aspects of his remarks; first, his sincerity, and second, I believe he has put his finger on the essence of the problem, and that is the Canadian educational system as it affects the children. Therein is the only area of discussion.

I think that the motion introduced by the hon. member for South Western Nova (Mr. Comeau) has really two aspects to it. The first aspect is that of the federal government taking some initiative in the field of education, which in itself could touch off a lengthy and worthwhile debate. The second aspect is the specific question of the convening of a conference to try and establish some general, broad areas of agreement among the provinces, or at least some uniformity up to a point in the field of education.

I listened to the hon. member for London West (Mr. Buchanan) and to the hon. member for Oshawa-Whitby (Mr. Broadbent). I was a little bit disappointed because I think what both hon. members did was to define the motion as it is before us in order to justify what is a very popular stand. It is very popular today for educators to talk about freedom

of choice, the freedom of choice of the student with respect to the curriculum, so that in the classroom students may progress at an individual rate. This has been very popular for the last decade and there is no argument there. But it all depends on how you define uniform standards.

In the few minutes we have listened to this debate it has been obvious that there is a great dilemma between those people who advocate a certain uniform standard across the nation and those people who argue that there should be completely individual instruction, that there should not be uniformity provincially or even at the community level. The consideration of the individual should extend to the classroom level, where the curriculum is to be a very specific thing and is to exist for the child alone. Somewhere between those two extremes lies a meaningful approach to the problem of education in Canada.

I do not think anyone will disagree that there is no way a nation can lay down uniform standards for what actually will take place in an individual classroom. I do not think the hon. member for South Western Nova even suggested or even thought that would be a desirable aim of the Canadian educational system. Certainly, the classroom curriculum, the actual teaching in the classroom, has to be geared to the individual. The five foot high-jump concept in education has to go. The classroom curriculum has to be geared to each individual considering his unique environment, his unique hereditary background, and the summation of the qualities making up his individualism. All this demands that he be given an individual curriculum, but certainly this is not the intent of the motion. The intent of the motion, as I see it, it to give some credence to the widely accepted belief that across the Canadian nation, just as in the United States, there is a need for laying down some uniform standards.

Here I speak of uniformity of standards with respect to general philosophy or general principles, which will ease the tremendous burden borne by thousands of families who have become mobile as a result of the developed society in which we are living, as compared with the society of our grandfather's day. I can really sympathize with the hon. member for Grenville-Carleton when I realize the kind of constituency he has. Even in the town of Gander, which has a population of only 9,000 people, we experience a tremendous movement of people. Every year between 100 and 150 new families move into the town. They come from a wide variety of backgrounds, and in such a circumstance there is a need for uniform educational standards. But again, it really depends on how you define "curriculum". The professional experts in Canada define curriculum in a very broad sense—what are your goals, objectives and aims, and all of these components are taken into consideration when deciding the curriculum.

If you look across Canada today you see we have ten different approaches to the curriculum question. If you study the underlying philosophy, aims and objectives of each individual province with respect to education you will find that they are all different. British Columbia, for instance, places a great deal of emphasis on streaming. What we traditionally used to call grade 8 is now called level 8, because the teachers have not found another name for "grade" which is an unpopular term. When pupils reach level 8, they move out into various streams and eventually each stream leads to a particular objective orientated toward university on the one hand or trade on the other.

• (5:50 p.m.)

Other provinces, and I can think of Alberta, place much more emphasis on a general approach to education; they emphasize the general rather than the specific. Other provinces believe that until the student reaches the end of secondary school he should not be involved in anything that could be classified as a specific job or occupational orientation. In other words, up to grade 12 we speak only of general education; that is the basic aim and it is a very general foundational kind of approach. Still other provinces have greatly emphasized religious training. I can think of a province which emphasizes the denominational system of education almost to the detriment of other aspects of the total development of the child. We can take Quebec and Newfoundland as examples.

In Canada we can come to terms on the general, underlying philosophy of education, and that is what actually happens in the classroom. We can, therefore, have some standardization of approach. Certainly the hon. member for South Western Nova never meant to leave the impression, nor did he say, that the conference he referred to in his motion should specify what type of textbooks should be used in a particular grade level or what marks should be expected in an examination or any such standardized procedures. I

think a number of hon. members, and one in particular, has gone out of his way to shift the emphasis of the resolution to suit his own purpose, and perhaps he has clouded the issue.

I support this kind of resolution because I am aware of the extent of the mobility of our population in Canada today, and it will become increasingly mobile. Since I have had a family I have been in 13 different environments, from the extreme west coast to the extreme east coast and in between. I am not, however, nearly as mobile-prone as some public servants and members of the armed services.

In Newfoundland, for example, 10,000 people leave the province every year. We just have grade 11 there, no grade 12, so when students arrive in Ontario the problem is how they are going to identify with grade 12. Do you take a grade 10 student and make him grade 11? They have found, for example, that in many cases grade 10 standards are equivalent to grade 11 because of the more diversified approach to the four years of secondary school in Ontario. Ours is a more academic approach, and consequently our students are as capable at the end of grade 10 as is the average Ontario student at the end of grade 11. You can believe that, it is not one for Ripley's.

What I am trying to say, Mr. Speaker, is that the converse is also true. In Nova Scotia, for example, you need grade 12 to get into university but in Newfoundland you only need Grade 11, so a special provision has been made to allow our grade 11 students to enter first year university in Nova Scotia. If they are smart and bright enough, they can overcome the slight deficiency in the academic background, but at least they are accepted. However, I am sure Nova Scotia is not going to continue this approach.

There are many areas of standardization in the field of education, Mr. Speaker, such as reading, mathematics, university expectations qualifications and the general broad principles of education, which could be accepted across the whole Canadian nation. I should like to go one step further than the hon. member for South Western Nova and suggest that it is time the provinces of Quebec and Newfoundland—in fact all the provinces of Canada and the federal government—get off their high horses as to the constitutional rights regarding education. Let us face the fact that education today, the development of human resources, is a most important area in which the government should be involved.

[Mr. Lundrigan.]

Let us start talking about the individual, the development of the youngster and try to set some national goals and expectations and perhaps aim at the establishment of a national ministry of education one day.

Right now the federal government is going through the back door. It is involved in education through about 17 different government departments. At the same time, if a question is asked in this House about education of the Prime Minister (Mr. Trudeau) or anybody else, the answer is that it is a provincial responsibility. I think this is a good resolution and I should like to see other members introduce other resolutions in order to open up the area of education for discussion, and for some specific action.

Mr. Lloyd Francis (Ottawa West): Mr. Speaker, I should like to join with those who have supported the mover of the motion. I have listened to the debate with a great deal of interest and would like to associate myself with the remarks of the hon. member from Grenville-Carleton (Mr. Blair). The constituency I represent is similar to his in character. For the period that I have been a member of this House I have had a series of complaints from families of members of the armed forces and the public service relating to the difficulties of their children in the educational system as a result of numerous moves.

I listened to the statistics quoted by the mover of the motion on the subject of mobility in Canada, and I was a little puzzled. If I recall, he said 53,000 families moved interprovincially every year and he cited the annual report of the Department of National Health and Welfare as his source. This seems to me to be underestimated. I listened to the member for Gander-Twillingate (Mr. Lundrigan) who said that 10,000 people leave the province of Newfoundland each year. I know that in the city of Ottawa hydro records show that one in four families move in every 12-month period, a 25 per cent annual mobility. This does not mean they all leave the city of Ottawa, of course. There is a very high rate of mobility in urban centres, especially those populated by members of the armed services and public servants, employees of national corporations and so on.

Let us ask the parents of these families what they think of the educational system of Canada. The mover of the motion said that of ten provinces, each province believes its own system to be the best in the country. But let us look, for example, at the report

prepared by the bilingualism and biculturalism commission on the teaching of history in Canada. It shows ten provinces teaching ten different versions of our own history, which one could hardly recognize from one province to another even within the same language group. The differences in the versions between one official language group and the other are even more striking. We should be able to assume that the provinces, in their conferences dealing with the subject matter, are prepared to arrive at some common understanding as the basis on which to teach such an elementary thing as the history of our own country. However, they have failed to achieve even this minimum standard.

Mr. Deputy Speaker: Order, please. The hour appointed for the consideration of private members' business having expired, I do now leave the Chair to resume the same at 8 p.m.

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

MOTION TO ADJOURN UNDER S.O. 26

GRAIN

EFFECT OF ACREAGE REDUCTION PROGRAM ON FARMERS

Mr. Speaker: Order, please. Pursuant to Standing Order 26, the hon. member for Saskatoon-Biggar (Mr. Gleave), seconded by the hon. member for Regina East (Mr. Burton) moved:

That this House do now adjourn.

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, it seemed to me necessary to have a discussion of this nature in light of the announcement made by the Minister without Portfolio (Mr. Lang) responsible for the Wheat Board—a statement that was supported and concurred in by the Minister of Agriculture (Mr. Olson)—which could very well indicate that there is to be a new departure for farming in western Canada and which certainly indicates that there are to be marked and radical changes in the pattern of farming in that part of the country.

When someone in authority suggests that it is advisable to take 22 million acres of land out of wheat production in one year in western Canada, and when you consider that last year the total acreage seeded for wheat was 24.5 million acres, I think one can grasp the concept and sweep of this proposed policy. I do not know what would be said if someone were to suggest a similar policy for the steel industry of Ontario, for the automobile industry of Ontario or for the corn growing industry of Ontario. Of course, industries in other provinces could serve as examples. Certainly you would know that there was to be a major disruption in the industrial heartland of Canada if such announcements were made.

When we discuss these kinds of changes in wheat farming, we are talking about the basis of the farming economy in western Canada because we are talking about the agricultural heartland of western Canada. Let us make no mistake; let us be under no illusion: that is what we are talking about. That farming economy has as its base the production of cereal crops. No matter whether farmers are producing beef or hogs—and these remarks apply to all but the small proportion of farmers who are in ranching—cereals are used in the entire feeder operation.

• (8:10 p.m.)

If the proposal is successful to its ultimate degree and the proposed number of acres are taken out of production, I shall be profoundly disturbed and dismayed because, Mr. Speaker, if we succeed in taking so many acres out of wheat production, and experience a crop year in Saskatchewan or western Canada generally like the one of 1961, we will all face nothing less than a major disaster.

That little wheat plant may not stand very tall, but the by-products of the wheat plant, together with barley and oats, provide much of the roughage for the beef cattle kept in western Canada. This House must be made aware of the vast shifts in production that can take place within that region. In 1961 we harvested 260 million bushels of wheat in western Canada and in 1968 we harvested 807 million bushels. That is a vast difference. If you look through the figures in the Wheat Board report you will note that we had a comparatively high production in the period 1964 to 1968. In the last four years we have harvested exceptionally large crops. This is in part responsible for the large carryover which we now have. Also responsible is the failure of our marketing policies to keep pace with production.

In this respect the government and those responsible are justified in being concerned about the continual build-up of stocks and the fact that the stocks have not been moving. If they had said to the western farmers that over the next two, three or four years there would be a gradual program of adjustment, possibly it would have been considered, although the marketing factor would still require top priority. This is not what they did; they talked of this reduction in one year and they are using two means to achieve it. The farmer is being offered $6 an acre if he takes his land out of wheat, or $10 an acre if he will plant forage crops. But there is the catch. Behind the carrot is a stick. It is a pretty big stick that goes along with that carrot. The farmer is being told: If you do not reduce your acreage, if you do not get in line with government policy and wisdom and with the savvy and know-how that exists in the halls of the experts in Ottawa, you will not be able to deliver over and above a certain amount of wheat.

I will not go into the technicalities and the particular acreages involved. In a general way, the farmer was told that if he had so many acres in summer fallow last year, he could deliver wheat on 25 per cent of it: that, plus what he put in summer fallow this year, plus his forage crop acreage, would be his delivery quota. This is the stick: if he does not go along with government policy, he will have a backlog of wheat which he will not be able to deliver.

This plan inevitably envisages a tremendous increase in summer fallow in western Canada. It carries within it the risk of severe soil erosion and damage in the Prairie region, not only wind erosion but water erosion. There is a proposal that as of July 15 farmers can sow some cover crops, but anyone who has farmed as long as I have in Saskatchewan knows that if you have any alternative you do not leave summer fallow bare until July 15. If you do, you have rocks in your head.

These are the faults I find with this program, Mr. Speaker. It does not take into account the necessary protection of our resources it does not take into account the protection of the farmers. In one swipe it knocks out the privileges of the unit delivery quota of the small farmer. This quota is important and is needed by the small farmer; however, it is to be his no longer.

There is talk of what is to be done with our marketing program. The effectiveness of our marketing has not been good. There is not enough said in these proposals about what is going to be done to correct that situation. The Economic Council urges action to increase Canada's wheat sales. A recent report states:

> Mr. Hudson studied the competitive position of Canadian Wheat in 23 selected wheat markets, and says there is a variety of reasons for the deterioration of Canada's share.
>
> These include lack of uniformity in the protein content of Canadian wheat shipments, a lack of flexibility in pricing, insufficient market development work—

This is a severe condemnation of what has been done in the way of marketing Canada's wheat in the last few years. I could go back to the minutes which I have. In 1961 the Western Grains Standards Committee pointed out that we were weak in markets because of not using protein grading. When the Minister without Portfolio in charge of the Wheat Board was in London he had meetings, following which there was a statement in the press that buyers in London said protein grading in our wheat was not up to the standard of other wheat they were buying.

Mr. Speaker: Order, please. I understand the right hon. Prime Minister (Mr. Trudeau) wishes to rise on a point of order.

Mr. Trudeau: Mr. Speaker, I do so with great apology to the hon. member who I am interrupting, but it is a matter of some urgency. I feel it is important to make the statement now.

Mr. Speaker: Order, please. I assume the Prime Minister is seeking permission to revert to motions for the purpose of making a statement. Is this agreed?

Some hon. Members: Agreed.

ROUTINE PROCEEDINGS

URANIUM

STEPS TO PREVENT MINE OWNERSHIP PASSING INTO NON-CANADIAN HANDS

Right Hon. P. E. Trudeau (Prime Minister): I thank the House for allowing me to revert to motions.

Last week the government of Canada learned that a substantial ownership interest in Canada's largest uranium mining company might be passing into non-Canadian hands. The government cannot delay making its position clear because it is understood the transaction may be close to completion.

Our reservations about this change of control of Canadian uranium resources are such that if necessary the government will introduce an amendment to the Atomic Energy Control Act, to take effect as of today, to prevent such a transaction. I have delayed this announcement until after the closing of the stock markets today.

Some hon. Members: Hear, hear!

MOTION TO ADJOURN UNDER S.O. 26

GRAIN

WHEAT—EFFECT OF ACREAGE REDUCTION PROGRAM ON FARMERS

The House resumed consideration of the motion of Mr. Gleave that this House do now adjourn.

Mr. Gleave: Mr. Speaker, in the brief time I have left I want to point out some other effects of this policy. Australia increased its sales up to December by 32.9 million bushels, Argentina by 1.4 million bushels and the United States by 12 million bushels. Our sales dropped by 37.4 million bushels. These are the figures: they tell the story of the western farmer.

• (8:20 p.m.)

I note the statement of the minister in charge of the Wheat Board in this respect. He believes that as a result of the proposed tremendous reduction in acreage he will be able to approach the other wheat producers and that they will fall in with this pattern. This is nonsense. It may be some countries will do so. I do not know what the United States will do. They are cheering us on, but why not? I am always willing to cheer the little guy on when he is fighting—he may even win—as long as the blows do not come my way. But do hon. members suppose that the U.S.S.R. will reduce its wheat production? They would be insane if they did. This is an example of nineteenth century economics being applied to Canada in the year 1970. It is laissez-faire economics, as out of date today as the horse and buggy.

Some people imagine that we shall be able to persuade other countries to reduce wheat acreage to a corresponding extent. But the western wheat grower will be the No. 1. mark in such a deal. He will pay the shot. It is time realistic policies were followed. We can accept a gradual reduction over a number of years if that is necessary, but before we are asked to accept a reduction of the size proposed we want to know what producers in other countries intend to do. Nothing can be gained from speculating, and that is all we are doing now. We cannot dump the whole burden on the shoulders of the farmers. Certainly the Canadian taxpayer is ready to put some money into this plan, but a far heavier price will be paid by the farmers.

I would be pleased if the minister could assure us that he had received commitments from the U.S.S.R., France, Argentina, Australia and the other great wheat producers to lower their acreages. But in that case, Mr. Speaker, there would be no need to consider a reduction of 22 million acres: it would not take a reduction of that size to bring world supplies into balance, if that is our objective.

It seems to me the sole objective should be the need to provide food for the people of the world who do not have it, something which has not been considered at all in this program. For these reasons I urge the government to reconsider its views and modify certain aspects of this program before it is too late and before too much damage is done. No one knows what the result will be in 1971 when Canadians will be literally reaping the harvest of what hon. members opposite did in 1970.

Mr. Ross Whicher (Bruce): Mr. Speaker, it is a pleasure to be able to say a few words in this debate tonight. As far as the agricultural policies of the government are concerned, I have in the past been somewhat critical. I want to say right away that I feel the government has taken a very wise step, having regard to the position in which it finds itself.

An hon. Member: Backwards.

Mr. Whicher: I do not agree that the position in which it has found itself could not have been avoided. On the other hand, considering the huge stocks of wheat and other grains which are piled up in western Canada, I think the government has shown good faith to the western farmers and has at least tried to bring forward a solution which will help them to a large extent.

As one who lives in eastern Canada, I am not familiar with all the problems of farming in the west. On the other hand, I did have the opportunity to go out west last year while I was a member of the Agriculture Committee and spoke with many farmers in the three western provinces. I know they are in dire

financial straits; they do not know which way to turn.

I should like to congratulate the Minister without Portfolio (Mr. Lang), the Minister of Agriculture (Mr. Olson) and the government for their readiness to put forward a considerable amount of money to help the situation as it now stands. On the other hand, I agree in many respects with what was said by the previous speaker. The answer to this whole problem is not to take millions of acres out of production, but to get out and sell wheat. It is certainly not good enough for Canadian citizens, supposedly full of vim, vigour and vitality, to let the rest of the wheat marketing world go out and sell wheat while we sit at home and fail to sell the quantities we should.

In the past year or so since I came to this House—and I wish to speak most respectfully of boards such as the Canadian Wheat Board—I have talked to many farmers who have told me about the terrible position they found themselves in before the Wheat Board came into being. I am sure that in the past the board has done a remarkable job. Nevertheless, considering the way in which the Wheat Board has tried to dispose of our grain across the world I think that as far as its members are concerned we should buy them five pairs of trousers for every suit each of them wears, because they must wear out those trousers sitting on their fannies.

They cannot sell wheat sitting around the board room in Winnipeg, or wherever it is they meet. The way to sell wheat is to get out in the world where people are hungry and have the money with which to buy it. If, perchance, somebody cuts the price, we should also cut the price. We must not wait for six months; we must do it five minutes later. This is something we have not done. Neither this government nor the one before it had enough "go" to get off their chairs—

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

Mr. Whicher: I hope that in the circumstances it will be a friendly one.

Mr. Benjamin: When the hon. member says we should go ahead and meet competition by cutting prices, is he saying that prices should be reduced at the cost of the farmers or that the government of Canada should make up the difference?

Mr. Whicher: That is a very fair question. We could not have farmers going out of business because of low prices. On the other hand, I would point out that the eastern dairy farmers subsidize their own commodities from 6 cents a pound to the 20 cents they are normally paid. This is the standard procedure. As an easterner, I say candidly that the hon. member's question is an embarrassing one inasmuch as I have not done enough research on the subject.

I suggest, though, that if the farmers of western Canada are businessmen, and I believe they are, they would be quite willing to dispose of their wheat at a lower price rather than have it lying around for two or three years while they pay 10 per cent interest on borrowed money. I say this with the best intentions. The Yanks would not get ahead of me, that is one thing. They might get ahead as far as arming the world is concerned, but when it comes to selling wheat we should be able to sell it as well as they can. We speak the same language. I am not willing to accept the fact that we cannot sell as well as they can. I have said these things before.

• (8:30 p.m.)

In the agricultural committee of the House of Commons the other day there were some gentlemen from the office of the Minister without Portfolio (Mr. Lang). Something was said about the proposed sale of wheat to Roumania. The minister, quite rightly in my opinion, in answer to a question from a member of the opposition suggested that this would have been a silly sale, that the Roumanians would perhaps have bought the wheat at a low price and resold it on world markets. I asked the officials about this matter and they told me that as a matter of fact we now had two people in eastern Europe selling wheat.

For heaven's sake, Mr. Speaker, why only two people in eastern Europe trying to sell wheat, when we have a billion bushels to sell? There should be 50 people in eastern Europe trying to sell wheat. As far as I am concerned, having two people there is not good enough. We need drive and initiative. You cannot sell wheat by sitting in an office in Ottawa; you have to get out to countries like Poland, Russia and China. We should have salesmen there all the time. That is the way business is done and the way in which it should be done in this case.

I do not know anything about growing wheat but I was fortunate enough to learn to be able to read. I suggest that all that any-

body in Canada has to do to find out why the Canadian Wheat Board is unsuccessful in selling wheat is to read the reports. The Wheat Board sold wheat to about 130 countries a couple of years ago. The following year they sold wheat to only 32 countries, or something of that order. We sold 17 million bushels of flour and wheat to Cuba two years ago, yet not one official of the Wheat Board went to Cuba the following year to see whether the wheat and flour were good, whether the transportation facilities were adequate, and whether the price—the Russians were paying for it—was O.K. All the Wheat Board said was that they did not want to interfere with the Russians.

A week ago tonight there were some people in Cuba selling Holstein cattle and they had dinner with Castro. These people were from Woodstock. My hon. friend knows one of the men in question. This is how you sell cattle. It is also how you sell wheat.

Some hon. Members: Hear, hear.

Mr. Whicher: We sell wheat not only in Cuba but all over the world. I am annoyed when I hear that Argentina outsells us, that the United States outsells us. The United States does not sell wheat to communist nations. Were it not for the fact that we sell wheat to Russia, China, Cuba, Poland, Roumania and other countries, you might say that we would have to go out of wheat production in the west for the next ten years.

In my opinion the Canadian Wheat Board has not made the necessary efforts to dispose of our wheat. If somebody cuts the price of wheat by one cent a bushel, the Wheat Board does not send a telegram to Ottawa but just writes a letter requesting permission to cut the price by two cents in order to meet the competitition. It must take about two weeks for the letter to get to Ottawa because before we get an opportunity to sell the wheat, France or some other country has entered the picture. Accepting the situation as it is now, in my opinion as an easterner the government has at least made a good effort. It has at least shown it is trying to do something for western farmers.

Some hon. Members: Oh, oh!

Mr. Whicher: I have been insulted before, Mr. Speaker, and by experts; but hon. members to my left do not bother me one bit because I do not regard them as experts. My point is that I think the average farmer in the west will agree that at long last the government is at least trying to help them.

I should like to issue a challenge to the two ministers who are chatting together on the other side of the House. I say as an easterner that I wholeheartedly agree with pumping $100 million into the western farm economy in an attempt to save the wheat industry of the west. If any of our city friends or these paper people who write Cinderella stories at the drop of a hat are critical about giving the western farmers this huge sum of money—and it is a huge sum—let them remember that wheat and grain are the main staples of the agricultural industry of western Canada, and we as Canadians cannot let western Canada fall.

Therefore, I want it to be abundantly clear that I am in favour of this money going into western Canada. But to government ministers I say let us not forget that there are other segments of the agriculture industry in Canada, and one of them is the dairy industry. I hope my western friends will bide with me when I say that if we can pump $100 million into the western economy, if this sum can be pulled out of the air—it is not in the budget at the moment and it is not in the book in which the minister cut $10 million off the milk subsidy—the minister can pull another $10 million out of the air to help the milk farmers of Ontario and Quebec.

Agricultural assistance is not just a one-way street. I hope that those members who come from Ontario and Quebec who are not here tonight will at least read what I have said, even though they may not agree with me. To our cabinet members from Quebec and Ontario I say, "Stick up for the people back home". We are sticking up for the western farmers tonight. Let us also stick up for the milk producers in the provinces of Quebec and Ontario and for the western Canadian producers whose milk we buy.

Nobody has told us where the $100 million is coming from. I know where it is coming from: 41 per cent of it is coming from the province of Ontario, and that is a fact. I say to ministers from Ontario and Quebec that in helping the western farmers they must remember there are also a lot of farmers in the rural areas of their own provinces. Instead of sitting in their seats, let these ministers fight for those farmers.

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, members of this House have previously sat through tirades of the sort we have just witnessed from the hon. member for

Bruce (Mr. Whicher), and we know that his speech was a red herring designed to divert our attention from the problem before us. I suggest this is the reason he was put up to speak before any member of the ministry was given the opportunity.

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

Mr. Speaker: Order, please. The hon. member does not have to rise on a question of privilege, and I ask him kindly to resume his seat. The hon. member has no right to make that kind of statement; he must make his own speech.

Mr. Korchinski: Mr. Speaker, I do not know whether the hon. member has a question of privilege but I do know this: the dairy industry in the east may have received $115 million, but let nobody tell me that the western farmers are receiving $100 million, because they are not. I tell you this, and I have tried to point it out in the House. The press can point it out and make it appear as though it amounts to $100 million or $140 million. Perhaps you can believe this if you lie down under a tree and dream, if you can find a tree in southern Saskatchewan. If you believe this you must have something missing from your head. If you believe it, you are wrong. These people are not going to sit down and do nothing. Anybody who had summer fallow last year will put a crop in this year.

• (8:40 p.m.)

The minister can suggest that these people have to put a crop in or the land will blow away. I suggest that it might blow away so far as the Minister without Portfolio (Mr. Lang) is concerned; it might blow away from my area. When he suggests that they must have a cover crop, let me tell him that they do not need a cover crop. In any event, this is one of the stipulations he is making. We have enough wild oats in our country to know that this is actually the case.

Some hon. Members: Oh, oh!

Mr. Korchinski: You can laugh all you want, but because we have more rainfall in our country, we have weeds and it is not a "Ha, ha" matter. In our area it costs $12 an acre to have summer fallow. The minister offers $6 an acre. He is not offering us anything as an inducement. I should like you to try and grow any kind of grass in some of this country. I suggest if you do not get rain you will still be trying seven years from now. The minister has another think coming if he thinks that anybody who had summer fallow last year is not going to put in a crop this year.

If the minister thinks for one moment that any person, including those who have to rent the land out to somebody else because of misfortune and so on, does not need a quota in order to sell the crop, he is mistaken. If he thinks for one moment that the old age pensioner does not need that the $300 or $400 that might come from one-third crop sharing, he is wrong. If he thinks for one moment that the man who was hailed out last year—these conditions do exist—does not need a quota in order to sell a crop this year, he is mistaken. These people did not receive a cent from the sale of crops last year.

The minister is saying that if the farmer did not get a crop to sell last year, he does not get a crop this year either. In other words, he is telling us that if God did not give us a crop last year, we do not get a crop this year because he is greater than God and is following in his footsteps. I tell the minister he is putting these people out of business in the wrong way.

An hon. Member: In the right way.

Mr. Korchinski: There is a right way, and a wrong way. If the minister had come back and said he was in Australia and they had agreed to a reduction in wheat acreage, we might understand. The minister went to Britain. What did he find out there? They told him to go back home. When I asked him about this, Mr. Speaker called me to order because it is not the practice to ask a minister to report on what happened during a visit. I did that with a purpose in mind; I wanted to know what he really accomplished over there. He came back and told us he had nothing to report. Britain is going into the European Common Market and we are going to lose that market to France which will, with subsidies, sell to Britain.

What did the minister report to the Canadian farmer? Did he say France was going to reduce its acreage? He went to the United States following questions I raised earlier. I do not care who raised the question, but the point is he came back without any kind of report except that the United States intends to cut down on wheat to the extent of 25 per cent. Why did he not fly to Australia or in any other direction and bring back a report?

I can get fairly excited about this kind of problem and I have a justifiable reason for doing so. Back home you cannot tell everyone to lie down and do nothing. Could you tell insurance men to quit going into the business? Could the Prime Minister (Mr. Trudeau) justify his policy when he was out west? What does the farmer do for the other six months of the year? I ask him, what does the insurance man do when he is not selling insurance? It takes him about two minutes to sell it and two hours to write it up. You talk about production! I know about the men who go out on the land from five o'clock in the morning until 12 o'clock at night during the rush season—and that is not the only time I have been farming. When the time comes I have to go out and look after the seed. I tell you—

Mr. Lind: Mr. Speaker, may I ask the hon. member a question?

Mr. Korchinski: Don't get excited.

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

Mr. Korchinski: Mr. Speaker, will you give the dog a bone? We have a justifiable reason for complaining when we are told to cut off our production. Has the government ever told the people of Quebec who produced 80 million of the 90 million pounds of surplus butter to cut off production? There has been talk of a reduction of 10 million acres, but you must still consider the 150 million surplus.

I know the people who live in the constituency of the hon. member for Bruce. I was in his constituency. Let me say to the world, to all Canadians and all Members of Parliament: We would like the opportunity to buy a tractor, which would not cost $20,000—as suggested by the Prime Minister—but $6,000 if we were allowed to purchase those manufactured by Japan, Czechoslovakia, Russia and other countries. Perhaps we could afford to buy one even with a dollar a bushel for our wheat. I do not know but, by God, I think we could try.

You tell us on the one hand to cut down on the production of food, and on the other hand to get out and produce. I think you must admit that something is wrong. I have had the opportunity of travelling far enough in this world to find out that some people struggle in the rice paddies and in the mud in India in order to eke out a living. If these people have to wallow in the mud there has to be something wrong in our thinking. We should have tractors to do that work rather than men struggling with bullocks and everything else in 120 degree temperatures. Somewhere along the line we have to work out new ideas.

Perhaps you think in my disgust I am asking too much. Do you expect me to wait for the United States to take over these markets? Do you expect me to wait for the French to take over the markets? This is what they are doing. Japan is ready, and Britain has committed itself. Is this the policy the government is going to follow? This government told the potash industry to cut down 40 per cent on its production, but it tells the farmers to cut down 100 per cent. The government is telling, not only the farmers but other business men they have not a chance, they are finished. If we follow that stupid dictate the government has given the farmers, impossible as it may seem, the farmers have no choice but to diversify.

I had to break up my operations into three branches—the one-third summer fallow I had last year, one-third in crop I might have put in, and the other in the summer fallow I would have this year anyhow. I say to the government I am going to take its money this summer for the crop I might have put in, and I am going to put it in anyway. I have a few cattle on my place. Long before this government came along I knew I would have to diversify. This is what we have all done but in order to feed cattle I have to grow some oats, barley, wheat for straw and all those things. How am I going to get these things if you deny me a quota? I must diversify, but the government has not worked out any policy. The minister rushed into it because he was excited about it and had to come up with something. He consulted no one.

• (8:50 p.m.)

When I said the other day in the House that all the consultations were based on what the Wheat Board could do, and that too many laws are passed in this House with no idea as to what is the proper way of administering them, I meant it because I as a farmer will be the one who is sacrificed at the altar. The government never consulted anyone and they have never given the Agriculture Committee the opportunity to do so.

I know that some members of the committee, such as the hon. member for Bruce, speak sincerely sometimes, and that the hon. member for Middlesex (Mr. Lind) speaks hon-

estly. I do not mind saying it in the House because this is the kind of thinking that must be behind the decisions that are made.

The government backed by bureaucracy is thinking only about one thing, that is, how they can make a living for themselves and offer only a guaranteed supplement.

An hon. Member: That is capitalism.

Mr. Korchinski: That is the worst form of bureaucracy. It is communism. My dear friend here is long on theory and short on practice. I wish some hon. members here had an opportunity to talk to the people who have to make that decision. I say to you, Mr. Speaker, that many farmers decided last year, without the assistance of the government, to reduce their production by 15 per cent. No incentive was given them by the government. They know themselves what they will have to do. But I do not know what will happen next year. I do know that in 1961 I had no crop at all and in 1963 I had trouble with rust, flood and so on, and there was only one good crop year in six years. Does the government think I will take a chance not to put in a crop the one year which might prove to be successful?

What drives me from accepting the government's incentive is the fact that I cannot depend on this government to pull me through during periods when I am up against difficulty. So far they have in desperation come up with some sort of plan. All I can say is, thank God they have come out of their shell because at least from here on we know what they are thinking. They are telling us to get out of business.

An interesting riddle was told me the other day. What is the quickest way of creating a desert out of some of the richest land in the world? The answer is, a Liberal government program. I would have enjoyed the humour except that I myself was involved. I like to think that I can contribute something by paying my taxes. I like to think that we can produce enough food on our farms not only for ourselves but for the rest of the world. It is surprising for the government, in this day and age when a population explosion is taking place and we see on television programs about there being too many people in the world, to be so bankrupt of ideas that it has to tell us to stop growing wheat. There are 188,000 farmers in Canada and they are blamed for causing the ills of this world of millions and millions of people. You have to stretch a country mile to make me believe that, because we have done our share in feeding the hungry.

As I have pointed out, the government is trying to sacrifice the farmers. Perhaps we should sacrifice the machinery industry, which is not Canadian anyway. Which is better? Perhaps the government is sacrificing the wrong people. I say to the government, and particularly to the minister form Saskatchewan, that I think he has made a valiant effort to redeem himself and his government but he is not fooling me because the summer fallow will create the same problems that we had before. Anybody who knows something about the patterns of summer fallow will understand me and realize that this is not a solution to our problems. Perhaps it is a temporary stopgap and it may bring some relief to the farmers and get a few members to Liberal political meetings out in the west, but so far as the western farmer is concerned the government is a long way away from coming to a solution.

[*Translation*]

Mr. C. A. Gauthier (Roberval): Mr. Speaker, I should like to make a few brief remarks on the motion before us, not because I am directly interested in the program announced by the minister but because his suggestions to the western provinces resemble all too much what we have had to put up with in other spheres in the eastern provinces. I feel for all the western wheat producers and I understand their anger on hearing about such a program.

I feel that is the best program ever put forward by a Liberal minister and I say it proves what the Liberals are capable of. During the war, the Liberal party paid people to burn goods while today, they are getting ready to pay the producer to stop producing. With programs like that you can imagine where Canada is heading for.

I was reading today in *Le Soleil* for March 2, about that wonderful program. I was absolutely astounded. This evening, I must bow to the evidence.

• (9:00 p.m.)

One can read in *Le Soleil* the minister's statement to the effect that the government of Canada is suggesting that the wheat acreage of 24.5 million acres be reduced by 22 million acres in western Canada. Mr. Speaker, I am just speaking as a humanitarian and I cannot imagine that we have reached the point where we are going to refuse to seed 22 million acres of land to wheat especially when two-thirds of mankind are not eating three

meals a day yet. I do not wish any hardship on Canada; however, I am very much afraid that some day it will dearly pay for the lack of action of its leaders.

If the Minister of Industry, Trade and Commerce (Mr. Pepin) as well as the other ministers concerned, namely the minister responsible for the Canadian Wheat Board (Mr. Lang) had done their job instead of travelling as tourists around the world like playboys, today the situation would be quite different. They have taken trips instead of trying to dispose of our dairy products and our wheat. We have a playboy government and we are going to pay for it. The same article, says, and I quote:

Under the law, 5,200 hungry Metis are forbidden to use the wheat given to them by farmers.

This is the case in Meadow Lake which I visited last summer. There I met poor farmers who could have used the wheat which was rotting in the fields. When I saw the sheaves of wheat, I could not believe my eyes. I went quite near to make sure that it was really true. The Metis told me: We cannot even get some to feed our families. Is there anything more shameful than that, Mr. Speaker?

They are not even able to change our financial system so that the production may reach at least the inhabitants of this country. That is shocking to say the least. Instead of adjusting our financial system to production, they are still trying to reduce the latter to the proportion of our financial system. There lies the great evil, Mr. Speaker.

The ministers, who cringe before high finance, will not face facts. The Minister of Agriculture (Mr. Olson), who worked with us in the past, knows the nature of the problem. But he is swallowed up in that crowd and does not see anything except that this divine financial system must be protected. According to the government, there is no way of modernising our financial system.

I took the floor tonight so that everybody will know about the shameful solution put forward by the government. We are told the implementation of that program, which will be in force for a year, will cost about $100 million to the taxpayers and will affect some 188,000 wheat producers who deliver their products to the Canadian Wheat Board, a government agency that acts as an outlet for wheat, oats and barley sown in the Prairie provinces as well as in some areas of British Columbia. So $100 million will be spent out of the taxpayers' money.

I wish to draw the attention of the House to the fact that, the people of Quebec will also have to bear the cost of the proposed subsidy intended to discourage the western producers from producing. They are paid not to produce whereas in the East, the idea is to "strangle" the farmers to compel them to abandon their land. Here is now an excerpt from *The Star* and I quote:

The government will pay $6 per acre up to a maximum of $6,000 to the farmers—

—who will have the guts to leave their land idle. And those who sow anything but wheat will get $10 per acre up to $10,000.

The department does not even realize the absurdity of the situation. Actually, it has always been more or less unaware of where it was going.

They are doing the same thing in Quebec where they say to the farmers: "Forget all about dairying and start producing meat, and hay." It is the same story in the West, to the extent that within two or three years, our surpluses will be just as high as those we have today with wheat and dairy products.

There is nothing wrong, do we say, in trying to destroy the production granted by Providence to Canada. What we should do is not burn and destroy but go on producing and take whatever steps to bring this production to the hungry.

I believe that out of the 264 members of the House we could manage a sufficient quorum to organize a rund table if the government would only agree sometimes to consult the opposition in order to set up a program of distribution, to feed at least the people in our own country and also the people abroad, thus enabling our farmers to market their production.

But far from it, the government, by means of what they dare call a program, will pay the farmers not to produce.

As I said, I believe this program to be the worst that a minister has ever dared to present to the House for a number of years. Whose fault is it? It is the fault of the ministers who have not done their job.

The Minister of Industry, Trade and Commerce and the minister in charge of the Canadian Wheat Board did not perform their task. This is why we are not able to sell our present surpluses.

If we gave $100 million to the farmers in order to help them, at least, to sell their wheat at 25 or 50 per cent of its price to the

people of Saskatchewan who are "crying" to get some, these $100 million would at least serve some purpose and would not be destructive.

I suggest merely that these $100 million be used to sell wheat at a discount in order to guarantee the western farmers a reasonable price.

[*English*]

Hon. Otto E. Lang (Minister without Portfolio): Mr. Speaker, I am very glad indeed to have this opportunity to speak about the wheat reduction program which was announced in the House last Friday. I am particularly glad to have this opportunity to talk to my colleagues in this House and to hon. members, and perhaps particularly to address myself to hon. members from the provinces or the area of the Wheat Board designated region to which the program particularly applies. I address myself particularly to them because they should have a very good hard look at this program and try to understand it. They should not attempt to make a partisan issue of a matter as important as this.

It is, Mr. Speaker, of fundamental importance that the farmers of the designated region work together to examine their problems realistically and hard-headedly, and to solve them together with such help as the government of Canada can give them. In developing this program we have been acting on part of a long-term examination of every aspect of the agricultural or grains industry in western Canada.

• (9:10 p.m.)

We were faced with specific decisions about the crop in 1970. Work is going on upon every other facet of the industry because of the difficulties which the industry has faced. We have in this program a proposal for the crop in 1970. I want to examine this program and the theory behind it and urge hon. members to support it when they see what it can in fact accomplish.

In the process of developing this program we consulted with leaders of farm organizations in many long hours of deliberation. The hon. member for Mackenzie (Mr. Korchinski) suggests that I should talk to some of the farmers who will have to make decisions. I am happy to report to him that I had the opportunity yesterday afternoon to speak to 600 of those farmers in his own constituency.

[Mr. Gauthier.]

I was delighted, in the previous three days, to be able to be able to meet 1,500 farmers in two meetings in the constituency of the member for Battleford-Kindersley (Mr. Thomson). In all these discussions, Mr. Speaker, the farmers to whom I spoke were willing to face reality and examine the problems in a realistic way. There is no doubt in anyone's mind about the importance of a maximum sales effort for our products. There is no doubt, either, about what can be done and is being done in this regard.

An hon. Member: By Australia.

Mr. Lang: But, Mr. Speaker, what is also completely obvious—it is as clear to the farmers to whom I spoke as it is to me—is that we must be realistic in deciding a number of things, including our best sales prospects. We must be realistic, too, in deciding about our inventory. Not many industries can survive without paying any attention at all to the inventory question, because inventory is expensive. It is expensive to produce and it is expensive to tie up money, even the marginal cost of production, if the inventory is in excess of what is commercially required for sales.

What is also obvious to all of us, surely, is that having determined what is approximately the right inventory, we must over a long period of time keep our production and sales in balance. That is what is at the heart of this problem and this program at this time. An inventory is expensive, not only because of the marginal cost in producing it and the interest lost on that money, not only because of the cost of storage which year after year must be paid while the inventory is carried, but because of the effect it can have on the price of the product in the world when you have excess inventory.

It is important for one other extremely basic reason, and that is because the excessive inventory of wheat in the Prairie region this year was going to have one very clear effect—it was going to press farmers into production of every other crop you can name, so that the excess inventory or surplus problem would have been spread throughout the whole grain industry. Farmers were aware of this fact; they were aware that inventory was in excess.

Generally speaking, they agreed that we are carrying almost one billion bushels of wheat, as we will on July 31 next; we are carrying 500 million bushels more than we

ought to for any commercial reason or for any other reason. What we are saying is that if we did not have that extra amount, on all analysis of how long we would have to carry even the upper bushels of the rest that we have, we would be carrying it a very long time before we had an opportunity to move it.

That means we would have enough without the 500 million bushels to meet all prospective sales opportunities and anything else in the way of aid or anything else we might do with it. Even in aid, the world can take only so much. When you start with a bushel of wheat and put it into an edible form like bread, the wheat in the bread comprises perhaps only about one-fifth of the cost. You need money to move it and you need money to mill it; you need to build ports and roads and trucks for the countries where the wheat is to be taken.

The simple proposition was, Mr. Speaker, that this inventory was lying as a great burden upon the farm industry, a burden costing millions of dollars a year to carry, and was causing distortion in every direction in regard to crops. I said we must maximize our sales.

Some hon. Members: Hear, hear!

An hon. Member: Other countries are doing it.

Mr. Lang: Our record this year shows that in fact the crop year 1969-70 is going to be a very good one in terms of sales.

An hon. Member: Is going to be!

Mr. Lang: Mr. Speaker, by the halfway mark of the crop year producers had already delivered as much rapeseed as they did all the previous year, they delivered as much flaxseed as they did in the previous year and as much Durum wheat as in the previous half year. Wheat was lagging.

An hon. Member: The government was lagging.

Mr. Lang: Because of the decision that had to be taken in trying to hold prices in the International Grains Arrangements, we had a gap in sales. I was rather distressed to hear the hon. member for Saskatoon-Biggar (Mr. Gleave) imply a lack of support and a criticism of the Canadian Wheat Board. I did not expect that from him. While the sales—

Mr. Deputy Speaker: Order, please. The hon. member for Saskatoon-Biggar (Mr. Gleave) on a question of privilege.

Mr. Gleave: Mr. Speaker, I want to make it clear that I was not criticizing the Wheat Board. I was criticizing the government. Let there be no misunderstanding about that.

Mr. Lang: I was sure, Mr. Speaker, that was his basic intent but it was rather unfortunate that he pointed his finger at the Wheat Board in attempting to do it.

Sales have lagged in the first half of this crop year, but by the end of the crop year exports will amount to 375 million bushels, which is higher than all years but one between 1943, when the Wheat Board started, and 1963 when the first sale to Russia was made.

An hon. Member: This is 1970.

Mr. Lang: Had this year stood alone in terms of sales, one might have asked: Where is the cash problem about which we have heard to much? But, of course, this year does not stand alone; it stands after two years of very difficult times in terms of sales, and therefore a very difficult cash position for the agricultural community. That is why we have to be concerned. That is why the inventory adjustment, which it was quite logical and clear that this industry had to make, could not be expected to be made by it alone. That is why we had to try to devise a program which faced up to this inventory issue and to the cash problem at the same time. These two things we have put together in an attempt to accomplish the result in as short a time as possible.

Mr. Speaker, the extra 500 million bushels of wheat which are above commercial requirements are expensive to carry. The longer you carry any part of it, the longer you carry that part of the expense. Accordingly, it was clear that what we needed in our attempt to bring this inventory into proper line, and also to avoid the creation of unnecessary and undue surpluses in other crops, was the quickest possible retirement from production of 22 million acres for one year. We looked at the possibilities of doing that over a longer period of time or over a shorter period. Any lengthening of the time simply prolonged the pain and the period in which those acres would have gone into other crops. Hon. members who are farmers know very well that is what would have happened. So we looked at the possibility of doing it in

one year and we proposed, with the co-operation of the farmers, that we should try.

• (9:20 p.m.)

It was also clear that any farmer who had enough wheat on hand to meet all the quota he could expect this year, and also all of the quota which might be available for him in 1970-71, had his gross income established and whether he grew or did not grow more would not affect his gross income in that period. Indeed, to not produce could only conceivably lower his costs and improve his actual cash position while his inventory was being disposed of. In other words, it could temporarily improve his cash position. Accordingly, we have devised a program which has invited him to take 22 million acres out of production this year, to put that land either into summer fallow or some form of minimum maintenance and to put up to 2 million acres of it into forage or grass. We propose to pay him $6 per acre for the additional minimum maintenance acres which the farmer had on his farm, as compared with the previous year, and we propose to pay him an extra $4 an acre for land that was put into grass and stayed there during the following year.

This represents a very important opportunity for the farmers together to reduce their inventory and for the Prairie region, particularly the grains region which has been hardest hit by the cash problem, to obtain a very valuable infusion of cash. The ideal would be for the farmers to take 22 million acres out of wheat and put it into minimum maintenance and forage because, on the best estimates we have available, it is indicated that the acreage which was in non-wheat crops last year is about the right acreage to have in these crops again this year. There may be some switching around of crops; some farmers may move some acres from barley into rapeseed, but the total is about right.

The only way, therefore, we can obtain that result is through the removal from production of the 22 million acres of wheat which are not required to meet any markets in wheat and are not required for any other crops either. This, therefore, represents an opportunity to hon. members to join with us in explaining this program to farmers from one end of the designated region to the other. I ask them to join in a task which represents a challenge for us and for the provincial governments to try to give the very best possible advice to farmers about the form of minimum maintenance which is most desirable in each region.

[Mr. Lang.]

We recognized that that challenge must be met in the time available but we did not feel it was proper to take more time and lose a whole year in implementing a program of this sort. We were particularly afraid of the impact in other grains which would have occurred in the process.

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, before the minister leaves the point, may I ask him a question? On Friday last the minister said that the government estimates the program will cost it $100 million. Now the minister is talking about taking 22 million acres out of production, which would cost the government $152 million. I say this on the basis of all that land being put into summer fallow and 2 million acres being put into forage crop production. Is the figure of 22 million acres to be put into summer fallow or forage too high, or is the previous estimate of $100 million too low?

Mr. Lang: Mr. Speaker, I think I said that the ideal would be if 22 million acres went into minimum maintenance and forage. However, in attempting to estimate how farmers would react—and by the nature of the exercise it can only be an estimate—we predicted that in the neighbourhood of 16 million acres would actually be withdrawn. There are varying conditions which might lead some farmers to leave some wheat in crop. However, it is still my view that the ideal would be to remove 22 million acres. That is why I urge all hon. members opposite to join in this effort to explain the program and how it may work for each individual farmer.

Mr. McIntosh: Will the minister permit a question?

Mr. Lang: Not now, if the hon. member does not mind, because my time is limited. Perhaps the hon. member will wait until I have finished my remarks.

Mr. Knowles (Winnipeg North Centre): The minister is being taken out of production.

Mr. Lang: This, of course, is the program, the details of which will take some time to be assessed. That is one reason why I shall take a great deal of time to meet as many farmers as possible. I hope we can count on the support of people expert in agriculture in advising farmers from one end of the designated region to the other how the program works. In order to help this process along, we intend to send out in the very near future to each

permit-book holder an analysis and explanation of the program to assist him in the job of calculating his best position and, therefore, the right result for him.

Mr. Douglas (Nanaimo-Cowichan-The Islands): The government will be also sending out an army of inspectors.

Mr. Lang: It is clear—and hon. members from other parts of the country appreciate this—that it is not a soft or an easy program. May I also say that those hon. members appreciate it is a good program. It is designed to face, in a hard-headed fashion—

Mr. Douglas (Nanaimo-Cowichan-The Islands): In a thick-headed fashion.

Mr. Lang: —the real problem that faces us as we come into the 1970 crop year. It is designed to solve this problem to the advantage of the agricultural producer and, in particular, the agricultural producers of the region taken together. Again, I earnestly ask hon. members on all sides of the House to give the program their best support in order that the maximum amount of help may be given to the agricultural community.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Mr. Deputy Speaker: Order, please. The minister's time has expired. If the hon. member for Swift Current-Maple Creek (Mr. McIntosh) is to ask his question, it must be with the consent of the House.

Some hon. Members: Agreed.

Mr. McIntosh: Mr. Speaker, if the minister is so anxious for our co-operation, why does he refuse to answer our questions?

Mr. Lang: I shall be delighted to answer.

Mr. McIntosh: I thought someone on the government side refused unanimous consent.

Some hon. Members: No.

Mr. McIntosh: So that we may understand exactly what the minister is talking about, will he comment on two examples I shall cite. Let us take the example of one farmer who has all his land in summer fallow and the example of another farmer who has all his land in crop: how will this program apply to both those farmers?

Mr. Lang: In examining the program, the hon. member will see that a number of items are included in it to deal with the particular situations of those who in fact moved much of their land into summer fallow or minimum maintenance last year. I refer to features such as deeming that anything over 50 per cent be treated as though it were wheat land. Also, the quota for 1970 is based on the total summer fallow acreage of 1970, plus one-quarter of the acres under summer fallow in the previous year.

It is true, of course, that a program of this sort cannot evenly affect every farmer in such a diversified region. It was our objective to help all farmers as well as we could, and one of the very significant ways in which a farmer without a surplus will be better off results from his opportunity to grow non-wheat crops. He will be protected through this measure from too serious a move of acres into these crops. Had it not been for them, the burden of surplus in such crops as rapeseed would have been very frightening indeed.

• (9:30 p.m.)

Mr. McIntosh: Mr. Speaker, will the minister now answer my question?

Mr. George Muir (Lisgar): Mr. Speaker, for over a year western opposition members have been trying to persuade the government to give some form of assistance to western agriculture to relieve the serious cash position of the farmers due to their inablity to market their grain through the Wheat Board. Last Friday the Minister without Portfolio (Mr. Lang) announced that something would be done in this regard. His announcement is apparently supposed to hold the surplus at its present level and at the same time provide the western agriculturist with his living expenses for this crop year. The minister may be a good professor, but he is an awfully poor mathematician. The cash advance will take up at least half the quota that the farmer is going to receive between now and the end of the crop year. The $6 requirement for summer fallow will not pay the cost of summer fallowing. That leaves exactly nothing for the farmer to live on.

The minister says the farmers are prepared to face reality. He said he talked to farmers in Saskatchewan. The only reason they are facing reality is they know this is all the government is going to offer them. There is no point in not facing reality because that is it as far as the government is prepared to go.

The minister went into quite a bit of detail in his announcement dealing with the acreage

reduction. It was interesting to note that the Secretary of Agriculture of the United States lauded the program.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Why not?

Mr. Muir (Lisgar): My hon. friend asks, why not? In answer to a question I asked this afternoon, the Minister of Agriculture (Mr. Olson) said that the United States was also reducing its acreage. Over the years they have been doing this on a small percentage basis. The fact remains they are still going to grow 45 million acres of wheat. Their gradual reduction seems to make more sense than this crash program which will leave the farmer without any wheat to grow or any crop to change to, because the minister has already intimated that the surplus of other grains is high enough.

Canada is in the position of making a unilateral reduction in a very large acreage of wheat. I am sure this will bring pressure on other governments from the farmers and producers of their countries to maintain production, if not to increase it, because Canada has told the world it is not going to worry about supplying wheat in the export market. We are not going to grow any wheat this year, therefore the other producers are bound to step into what might be called the vacuum.

The minister now says he is going to discuss acreage reduction with other governments. He has evidently forgotten the old adage about locking the barn door after the horse has been stolen. He has given away all his bargaining powers as far as wheat acreage reduction is concerned. He has left it up to our competitors as to whether they will reduce their wheat acreage. My guess is that if they do reduce their wheat acreage, which is doubtful, it will be only a very small amount.

Had the minister made this suggestion last year when opposition members were pressing for payments on a crop reduction basis, any action taken would not have been nearly so drastic. It would have afforded the farmers more room to manoeuvre in crop selection. It would also have benefited those farmers who voluntarily reduced their wheat acreage by five million acres, many of whom will receive little compensation from the scheme this year.

Actually, the minister's statement shows a defeatist attitude on the part of this government which has failed to maintain Canada's share of the export market. It is a cover-up by the government for its failure to do the things necessary to keep our grain economy competitive in world trade. It is a grandiose scheme which will fall far short of its objective to relieve the desperate cash position of the Prairie farmer. The minister knows as well as I that his boast of a $140 million payment is just so much window-dressing simply because it is predicated on the fact that no wheat will be grown on the Prairies this year. The Minister of Agriculture smiles at me. He knows very well there will be wheat grown on the Prairies this year. Many thousands of acres of wheat will be grown in spite of this program. What other crops are the farmers going to turn to? What use will be made of the five million acreage reduction that took place last year and was presumably left fallow? Should the farmer turn to rapeseed? I will now deal with the rapeseed situation. Dr. A. M. Runciman, president of the Rapeseed Association of Canada said:

> —that the world projection for the production of rapeseed is forecast to be 23 per cent higher than in 1969. This figure, he said, presumes only a slight increase on the part of Canadian farmers.
>
> Traders, however, are expecting a 50 per cent acreage increase, Mr. Runciman said. Seed sales are up 30 per cent to 40 per cent and much of this seed is going into areas that never grew rapeseed before—areas in traditional wheat growing countries. Established growers will use their own seed and this has led the traders to forecast the 50 per cent increase.
>
> Indications are, he said, that we had better get geared to moving the largest crop ever moved and at relatively low prices.

I am reading from the February 26 edition of the Manitoba *Co-operator*. This same paper has an article on flax. This article deals with a suggestion by Dr. W. J. Craddock, associate professor, Department of Agricultural Economics, University of Manitoba. It states:

> While no estimates of carryover for the end of 1970-71 crop year could be made at this time, he said it should be noted that if 3,500,000 acres of flax were grown in 1970 even at an average yield of 11.5 bushels per acre, the total supply would be 50,500,000 bushels. If 25,400,000 bushels were, in fact, exported, 25,100,000 bushels would be available for domestic use or carryover...
>
> ...the maximum annual domestic use was 8,800,000 bushels and that was in 1956-57. In recent years this figure has been in the range of 4,000,000 to 6,000,000 bushels.

That shows the situation as far as flax is concerned. Should the farmer turn to oats and barley? I do not think I even have to read any comments on that except to prove the point I am making. In the Wheat Board's 1968 supplementary report, the latest available, it is shown that oats and barley produc-

tion have increased substantially. Although there has been some improvement in the movement of barley since that time, both these grains are in a heavy surplus position.

• (9:40 p.m.)

One needs only look at production figures over the past decade to realize that our farmers have certainly solved the problems of production. However, when we turn to problems of merchandizing, transportation and distribution, an area in which the government should be deeply involved, we find we are barely out of the horse and buggy age. We were hamstrung initially by the inflexible marketing policy laid down by this government under which there was insistence on maintaining the IGA price long after our competitors had abandoned it. West Germany and Great Britain have been requesting a guaranteed protein content for the past six years but we have been content to continue a grading practice which is at least 30 years old.

This cavalier attitude toward the wishes of our customers, along with a determination to hold up the price of wheat in a buyers' market, has contributed to our loss of sales in traditional markets. At the best of times we must be competitive in price and quality, but in times of surplus we just cannot afford to be inflexible.

A recent article in the *Globe and Mail* had this to say with regard to our grading system:

> Canadian wheat has been losing sales on the London market for reasons of quality and price, according to a consensus of dealers and millers... A wheat board delegation spent nearly a week in London, assessing prospects in a market traditionally among Canada's best but which has been deteriorating over the past eight years.
>
> The basic point to emerge from talks with the buyers and millers is that Canada's wheat export program has not adjusted to meet the changing demands of this market.
>
> As a result, competitors—the Soviet Union and Australia—have been selling higher quality wheat at lower prices. Canadian sales have declined, though not drastically.

An explanation was offered in these words:

> Canada was strongly criticized for being "the leading light for pressure to keep IGA prices at unrealistically high prices." In 1967, the Wheat Board was stuck with unrealistically high prices because, for political reasons, initial payments to farmers had been set too high.

Our farmers have demonstrated beyond doubt that they can produce a great variety of crops effectively. Farm production has increased by more than 50 per cent in the last 20 years and this has been achieved by an agricultural labour force which has fallen by half in the same period. Unfortunately, our distribution and marketing system has failed to keep pace with this advance in production; it has changed very little in the last 20 years. Though our competitors have adopted protein content as a grading criterion, we still sell by bushel weight and colour.

The requirements of our customers have to be met, and we can do it because we still grow the best wheat in the world. We need to up-date our grading and to modernize our distribution system, including our port facilities, particularly on the west coast. We must do something about labour problems which have hampered the free flow of grain to customer countries. Lastly, we must try harder to meet competition. We must get out and sell. These things need to be done as quickly as possible if agriculture is to share the fruits of an affluent society.

In all fairness I would add that the minister's scheme is not without some compensatory features. It will provide employment for an army of inspectors who will be required to check wheat acreage and summer fallow against the quota books. It may help some of the larger farmers who will receive the maximum for summer fallow and be enabled to double production next year. But it will do little to alleviate the financial problem of the average farmer whose crop production is more diversified, particularly in areas where wheat production was already reduced by 26 per cent last year.

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, in the few minutes which remain before the usual hour of adjournment I should like to do something which the opposition often prevents my doing, that is, make a completely non-partisan speech—

Some hon. Members: Oh, oh!

Mr. Olson: —outlining the steps which have been taken so far and the steps we intend to take, so that there may be the maximum exposure of that information to the people who will be affected, namely, the permit holders in the designated area under the Canadian Wheat Board. Perhaps I could begin from the position which was taken last Friday when an announcement was made to the House. I recommend to hon. members on both sides that they read with attention the statement made by the Minister without Port-

folio (Mr. Lang). While that statement does not contain all the detail, it does address itself to all the broad concepts involves. Indeed, it goes into some detail as far as certain aspects are concerned.

I would also recommend another excellent statement which was made on Friday, and that is the one which I myself made to the press. Afterwards, as some hon. members may know, the Minister without Portfolio and I held a press conference in Ottawa. We held another later that day in Winnipeg. By the way, it was broadcast live over the CBC network for 30 or 40 minutes and was rebroadcast on "Country Calendar" on Sunday afternoon. We held a shorter press conference in Saskatoon later that day, and there was yet another in Edmonton on Friday evening. So we have attempted to give this matter as wide a coverage as possible. Nevertheless, I recognize that it is not yet possible for the farmers or for the correspondents to anticipate all the information they might need before making decisions.

In the last few days, and even in the past few weeks, we have been trying to anticipate all the situations which might arise in respect of individual farmers within the broad framework of the program; we have been trying to draw up regulations which would maintain fairness and justice, taking into account the very wide variety of circumstances which could apply to individual farmers.

The hon. member for Swift Current-Maple Creek (Mr. McIntosh) mentioned two extreme situations, including the case of the man who had 100 per cent summer fallow last year. It seems to me that some consideration must be given to a case of this kind, not only in order that such a farmer can participate in the program but in recognition of the fact that he helped the situation last year. The Minister without Portfolio was asked many questions, including some along the lines of those posed by the hon. member, and he was able to answer them. We shall be mailing to all farmers a copy of the Farm Letter within a few days. It will deal with this program so there may be an understanding of its concepts by all who receive it, whether they are within the designated area or not.

• (9:50 p.m.)

In addition, we are preparing a publication, which I understand is nearly complete, that will be sent to the Canadian Wheat Board permit holders and which will spell out even more detail. It will use some examples of what will be the situation both with respect to the incentives part of the program and also that part of the program relating to the quota for the coming year. I am sure there will be more press conferences as the administrative details become better understood by farm writers and some of the farm leaders. We expect there will be need for a further issue of a Farm Letter later on, perhaps in early April, setting out the administrative structure that we intend to use. What is of immediate importance is that the farmers know the options open to them and that they apply those options to their farming operations in order to decide to what extent they participate in the program.

I think the hon. member for Lisgar (Mr. Muir) and other hon. members made reference to the figures that we have been using. The Minister without Portfolio mentioned that the sooner there is greater participation, the sooner we will be able to reduce the inventory. The $140 million that some hon. members talked of is the maximum amount and relates to all of the acres down with spring wheat last year, at $6 an acre, plus the two million acres more which will be seeded to grass. That is a simple calculation and adds up to $140 million.

Mr. Skoberg: You said it was 20 million plus two million.

Mr. Olson: No, I said "of" two. In any event, we have estimated that the program will probably cost around $100 million inasmuch as this is the percentage of participation that we can realistically expect.

Mr. Baldwin: That is probably all that Benson will give you.

Mr. Olson: If you have a program covering all of the acreage, you have to be prepared for the maximum number. If applications come in for the 22 million acres, plus the additional $4 for two million of those 22 million acres, we will have to be prepared to pay out $140 million. However, I do not expect we will have that percentage of participation, for the reasons I have mentioned.

If for some reason a farmer has no grain on hand, it is no secret that the amounts being offered here will not be sufficient inducement to him not to grow any grain. That is pretty obvious. But I think opposition members lose sight of the fact that this program is designed somehow to rationalize our wheat inventory

and to do so in such a way that the government will assist the farmers. I am sure that would be of interest to those members of the opposition who have claimed that farmers have a great quantity of wheat on their hands. Certainly those farmers will have to participate in the program, though their return will be somewhat less than if they grew a full crop which was sold.

About two-thirds or 75 per cent of farmers in western Canada have enough grain on hand to fill their quota for the balance of this year and the subsequent year without growing any more grain. During this period these farmers will also receive the cash receipts from the sale of that grain. I do not know whether the export figure this year will reach 375 million bushels, plus domestic consumption, or whether the figure will be a little higher or a little lower. But the money for the sale of this grain will go to the farmers in addition to the $6 an acre paid to reduce inventory and the $4 for forage.

The Minister without Portfolio has said this a dozen times already, but it should be borne in mind that if the program is successful, part of its success will be due to the fact that probably between 375 million and 500 million bushels, comprising both export sales and domestic sales, will be sold from the existing grain inventory; and, as I said, the cash from those sales will go to the farmers. This is a matter that should not be forgotten.

When the regulations have been compiled and the administrative machinery set up, we shall be making special efforts through the media, through press conferences and through direct mailing to make sure that all farmers who could be affected by the program will be given the fullest information. In addition to that, since I do not think it will be possible to anticipate every type of circumstance, we think it might be desirable to set up some kind of appeal board to which a farmer may have resort if he feels the regulations do not fully cover this particular situation. For example, there is a board of review constituted under the PFAA at the present time; there are appeal procedures in regard to the Farm Credit Corporation, and so on.

There are many other arguments I could advance, but in conclusion may I say—

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I ask the minister for some information before he concludes? Would he explain who is going to administer the wheat acreage reduction program? Will it be the Department of Agriculture, the Canadian Wheat Board, or some other body? Also, who will set the regulations?

Mr. Olson: The regulations will be worked out by the Department of Agriculture in consultation with the Minister without Portfolio as well as the grains group which has been making a major input into the program. As far as administration is concerned, the Department of Agriculture, mainly through PFAA machinery, will administer the wheat reduction payments. They will receive the applications, do the on-farm inspections and make the payments. The Canadian Wheat Board will deal with the permit books that will be issued. Obviously, there will have to be very close liaison between these two bodies to make certain that the information provided by individual producers is the same on the application for reduction payments as it is in the permit book allocation of acreage for the various crops that will be grown.

I suppose hon. members opposite, and also some of the farmers, will be able to point to extreme cases from time to time not precisely provided for in the regulations. We intend to design these regulations in a way that will achieve the objectives of the over-all program and at the same time be fair to farmers who made adjustments last year and to those who are involved with what is in their permit books for the 1969-70 selling season. Of course, we have to make a beginning from the figures which are in the 1969-70 permit books and make any changes from that position. After all, this is primarily designed as a wheat reduction program, that is, in respect of the inventory and we have to make some beginning. When these regulations and the explanatory documents or circulars I have been talking about are ready, we will obviously see that all members of the House get them as soon as they are mailed to the farmers.

• (10:00 p.m.)

Mr. Peters: Mr. Speaker, may I ask a question of the minister? What is the long-range intention in relation to the setting of quotas beyond 1970-71? Obviously, the fact that you are talking about 1969 summer fallow and considering the 1970-71 crop or summer fallow for 1970 means something. How will this affect the quotas that are currently on seeded acreage, and other considerations? How will it affect the quotas for the following year?

Mr. Olson: The Minister without Portfolio was asked that question a number of times. I do not think we have considered it deeply enough at this point to say we have a precise kind of program which will be used for the allocation of permits and quotas for the 1971-72 crop year. There will obviously be some major changes in the traditional pattern that has been used until this program goes into effect.

As has been pointed out, if the projections we have made are proven to be correct, we can produce and sell about 20 million acres of wheat per year starting in 1971 and from then on, provided we get our inventory into a reasonable commercial position now. Therefore, we will have to take into account that position. We will also have to take into account—and this information is not available to use yet—how much response and participation there is in the program, because our regulations for the ensuing or following year would be dependent on how successful this program is in reducing the inventory of wheat.

Mr. Peters: There is the intention, I presume, that there will be a relationship between the performance of those who have participated in this program and those who have not?

Mr. Olson: I think that would be a fair assumption.

Mr. Rod Thomson (Battleford-Kindersley): Mr. Speaker, I prepared some remarks prior to the speech of the Minister without Portfolio from Saskatoon-Humboldt (Mr. Lang). While I hope to get those remarks on the record, I should like to make a comment or two about some of the suggestions he made in a speech in part of my riding. First, I wonder whether the minister meant to imply that farm leaders suggested or agreed to this plan. Perhaps they have, and maybe they should have the right to say yes or no; but I wonder whether this is what the minister intended to imply. I throw that out so he can answer as he sees fit.

The minister spoke in a town in my riding. I talked to a farmer who was there. The minister was correct—there was quite a large crowd. They listened to him with some interest, but I do not think with any enthusiasm. I do not know that they were even particularly critical at that stage. They wanted to know about the program and were there because they were interested. The comments I have heard are to the effect that there is a certain amount of wary skepticism about the whole thing. It is necessary to explain to the farmers what this plan means because I am sure they do not understand it. I do not really understand it.

Today the hon. member for Assiniboia (Mr. Douglas) rose in the House and asked what will happen to farmers who cut back their acreage last year. When one of the main government supporters finds it necessary to ask this question—and I assume he helped draft the plan—one can understand why the farmers might wonder about it. If the hon. member for Assiniboia was not taken into the government's confidence, I suggest this is an insult to him. He is a man who really knows what is going on in the country.

Frequently when hearing comments from ministers on that side of the House I have not been impressed by the fact that they have any real knowledge of what is going on. There was mention of equity in the speech of the Minister without Portfolio and the speech of the Minister of Agriculture (Mr. Olson). When thinking of the constituency I represent, I can see that this is going to be quite awkward. My constituency contains part of the Palliser triangle, parkland in the North, some quite large and some quite small farms. I represent some farmers who co-operated in reducing acreage last year and some who seeded large acreage. It is obvious that any application of this plan will be awkward.

The minister spoke about statesmanship in helping him sell this program. I should like to make a comment or two on that, as a responsible person. I have listed four points which I think might have some validity. This program might have its good features, and I want to mention them. The first good feature is the forage program. The idea of paying $10 per acre of land put into forage might be very acceptable and worth while in attempting to reduce the wheat surplus. I can see a hard-headed farmer taking his poorest land and seeding it in grass. I know I would do so and I would accept this as being a good feature. Second, there will be some cash flow in the country. I accept this as being of value and beneficial, but I do not think it will come anywhere near $100 million or $140 million. I suggest to the minister that if he attains $50 million he will do well.

I had an urgent phone call shortly after 8 o'clock from a farmer in the Herschel district. He said he did not think there would be even

$20 million obtained from this plan. I do not really know at this stage, but I would be highly skeptical of the $100 million figure that has been kicked around in Ottawa. If it was the intention of the government to imply it would put $100 million in the hands of Prairie farmers, I suggest this is a fraud and a hoax: I do not think it will happen.

Let me refer to another feature of this plan which might be regarded as useful. If I had a field full of wild oats or couch grass, I might think this was a good time to summer fallow this field twice in a row. I think a hard-headed farmer would look at this idea and think it might be a good thing. A farmer with a large surplus of wheat, probably a farmer who has already adopted some other alternative, might say, "Let us cut back a couple of hundred acres. What is the difference?" He might do so, collect his $6 an acre and do with the land what he is able to do. So much for the good features.

I should like to make one or two comments about the speech of the Minister of Agriculture. I believe his estimate that 75 per cent of the farmers would have enough grain on hand for two years is not correct; I think it is too high. I have heard many comments about how much surplus grain there is on the Prairies. Admittedly, there is quite a large surplus; I am not trying to minimize the problem. But from my own observation and from what I hear in the country—and I have a lot of good grain land in my constituency—as well as what I hear from elevator agents and the like, there is not as much grain there as the Minister of Agriculture and the press have indicated. This dates, not only from the stories I hear but from my experience back in the 1950s and early 1960s to the time we had a surplus. There was not that amount there.

• (10:10 p.m.)

There is a point that disturbs me, and that is that $6 an acre is not enough to pay for summer fallow even on large and efficient farms on the edge of my riding. It seems to be implied by some speakers here, and in what we read in the press, that someone will make money out of this and that it is a good thing that the government is putting all this money into western Canada. I suggest that this is a minimum-income type of plan and that no one will make anything out of it. It may help a little to keep the economy alive, but that will be all. If the government is successful in cutting back 22 million acres and cutting down 500 million bushels, it will save about $50 million a year in storage at 10 cents a bushel a year. I think my figure is as unrealistic as the $140 million that some people have mentioned. I realize the government will save some money if its program is successful.

Around 8 p.m. tonight I received a telephone call from a farmer from Herschel who was quite concerned about this program. He said it looks hasty and ill-conceived. He says that we will have one big summer fallow field from the Rocky Mountains east. We will have a dust bowl if we have difficult weather conditions, but if we have a good crop year we will have a billion-bushel wheat crop. I am sure the minister has thought about these things, but he should determine what this program might do to some individual farms. I think it will make things much more difficult for the smaller farmers because they have fewer alternatives. I believe this will create an extremely awkward problem if the government says to them, "If you do not cut back, you will not get a quota". What are they to do?

I should like to speak for a few moments about the sales program of the government. I have argued since I first came here that the government was not paying enough attention to the sales program and that it has not done as much as it could. I should like to quote from a paper which was presented to the Harrisson Hot Springs Liberal conference by Dr. Knott of the University of Saskatchewan, in which he said that out of a total sale of 600 million bushels to underdeveloped countries Canada's share is 20 million to 30 million bushels. He went on to say that we can do something about this. It is unfortunate that apparently no one at that Liberal think-in was listening to Dr. Knott.

The wheat crop in western Canada is a renewable resource. It has been a renewable resource which has brought much of the new money to Canada in the past years. It has also done so just recently. We must remember that in an average year, from $500 million to $1 billion new money has been brought into Canada in foreign exchange. This has pumped life into our economy.

It has been suggested that a dollar return from other sources is multiplied three times, while a dollar return from agriculture is multiplied six or seven times. This has pulled Canada out of a hole when our balance of payments program has become a problem. Are we going to abdicate from the foreign market because things are a little tough? Are

we going to say to France, Australia or any other country that from now on they can have the market, we will not fight for it?

I suggest to the Minister of Agriculture and the Minister without Portfolio that it is high time they got the protein program on the road. I have been farming for 25 years or so and ever since then there has been talk about an improved grading programs. What has been done about this? Are we abdicating from foreign markets? I suggest to the House that the government is not only interested in solving the problems of the grain farmers; part of its interest at least has been to attempt to forestall any crash or reduction in the red meat market. I cannot criticize the government for this. I do not think it would be reasonable for us to move from one area to another, but I do not think this program is strictly in the interest of the grain farmers.

I wonder if our farmers could be given an option, if they could perhaps grow more Durum wheat, more flax or more rapeseed. I suggest to the minister that the government consider arranging to take off the market next fall a certain amount of each of these grains. Let me illustrate it this way. I recall the time when we thought we had a surplus of Durum wheat. However, it turned out that there was a crop failure in Italy or some other country. The same thing happened last year with rapeseed, so that we could move more rapeseed than we had anticipated. Would it not be better if we had a reasonable surplus of these crops, so we could have more alternatives in case something turned up? I suggest that rather than have a surplus in one kind of grain, we might have a surplus in another.

A number of other hon. members wish to speak this evening. In conclusion, in my view the sales program has not been developed fully. We have lost some of our sales to Britain and to Japan. I believe that the coarse grains market could be expanded. I believe this is one market we could develop successfully. I suggest that both the ministers concerned should look seriously at this aspect of our grain surplus problem, and hopefully we will arrive at some solutions which are not completely negative.

Mr. A. B. Douglas (Assiniboia): Mr. Speaker, I welcome this debate because it gives us an opportunity to express opinions about operation LIFT, which is an abbreviation for Lower Inventory for Tomorrow, an imaginative title.

[Mr. Thomson.]

A great many farmers welcome this program and will make good use of it by complying with it in large measure. Other farmers—and those are principally the patriotic, co-operative types who voluntarily reduced their wheat acreage and increased their summer fallow and grass acreage last year—are greatly dismayed at the inequitable treatment given to them. Still others—I am afraid they exist in large enough numbers to prevent the plan from achieving its goal—will decide to continue their present system of farming, unmoved by the carrot of acreage reduction payments or the stick of wheat quota restrictions contained in the plan.

I propose to deal briefly with each of these three different classifications of grain producers. They cannot be identified clearly with any one area of the Prairies, their farm size, or the type of farming, but I will try to make some references to these factors as I proceed.

• (10:20 p.m.)

First, those who will make greatest use of this plan will be large grain farmers and smaller farmers who produce grain almost exclusively. They will be those who have kept their summer fallow and grass acreages at a low level, and their wheat acreages high. They will be found in the more arid parts of the Prairies which are not suited to livestock production, that is, the Palliser triangle. They will be of the group which has accumulated a burdensome surplus of wheat. It must be remembered that there are within that triangle many districts that have had crop failures in the last year or two because of flood, hail, drought and frost. So even here there will be a percentage of farmers who will not be in a position to embrace this program.

Then there is always a fraction who will say, perhaps with some justification, that the only wise and safe course is to act exactly opposite to what the government recommends. Still, a large number of this group of farmers will co-operate with this new program. Perhaps even a few of them will give the government a little praise for its good intentions, its initiative and the double-barreled reward.

The second group includes all those farmers who were naïve enough and perhaps foolish enough to follow government advice last year. They cut down their wheat acreage, in some cases to nil, increased their summer fallow and cultivated forage acreage. In other words, they have already done voluntarily what

other farmers are being asked to do now. They have cut down the wheat surplus both for the country and themselves, and now because of their reduced wheat acreage and reduced wheat surplus they are unable to take advantage of these incentives.

It is true that they will have partial compensation because they can use 25 per cent of their 1969 summer fallow acreage for wheat quota in 1970-71. But the poor fellow who last year adopted this plan's preferred alternative and increased his grass or legume acreage gets absolutely no credit for it. His first reaction is that he will convert that grass stand, which is not even established yet, back to summer fallow so that he can use it as wheat quota acreage.

I have been informed today that when full details of the plan are available, this option will be found to be ruled out. But he may decide to summer fallow it anyway, to protect his position in 1971-72. I ask the responsible minister now, as I did earlier today and will continue to do so until a change is made, to revise this plan to increase the credit for 1969 summer fallow to perhaps 50 per cent, and more importantly and more insistently, to give a 50 per cent credit for increases in forage crop acreages last year. If these amendments are made, the government will partly confound the dissidents who counsel farmers to refuse to co-operate with government advice.

The third group includes the multitude of mixed farmers who have no burdensome wheat surplus. They have fed a lot of their grain to livestock and have tended to produce only enough wheat to fill their quotas. Under the new plan their quotas will probably not be reduced very much, at least if they have been summer fallowing a third or more of their acreage each year. Therefore, there will be no need and little incentive for them to reduce their wheat acreage.

If they can get some grass seed—and most of them will not be able to do so—they may seize this opportunity to get help to do this and thereby contribute a little to the wheat acreage reduction drive. They will largely tend to ignore this plan, and because they represent the majority of farmers, although probably not the preponderance of wheat acreage, the wheat acreage reduction program will fall far short of its goal.

Taking all these things into account, Mr. Speaker, I doubt whether the program will be nearly as successful as the $100 million price tag envisions. The minister must have calculated that 14 million or 15 million acres of wheat will be converted to summer fallow and one million or two million to forage crops, to achieve a pay-out in the neighbourhood of $100 million. I will be greatly and agreeably surprised if farmers respond with a total conversion of half that much.

A program of wheat acreage reduction incentives should have been instituted a year or more ago. I tried hard to persuade the government to do so. When it became apparent last spring that there would be no such program for 1969, I immediately started to campaign for a 1970 program. In this regard the House might be interested to know that a senior government official telephoned me in Saskatchewan last August to ask my opinion of the effects of two levels of incentive for wheat acreage reduction. Without any research or time for reflection, I offered the estimate that a payment of $5 per acre would result in a reduction of five million acres and that a payment of $10 per acre would result in a reduction of ten million acres. So this policy has been under consideration for at least six or seven months.

It is too bad it was not announced two months ago because many farmers, like myself, have got themselves practically locked into a pattern or plan of seeding from which it will be difficult to deviate. They have laid in supplies of fertilizer, bought seed and prepared their equipment. Now they will scramble around and compete with each other for scarce supplies of forage crop seed. Throughout the past several months I have repeatedly advocated that a wheat acreage reduction program should be based on 1968 acreages; that the program should go back to 1968 before the five million-acre cut was voluntarily achieved last year, and reward those farmers who so patriotically reduced their acreage last year. I am disappointed that this program does not go back to 1968, or at least average 1968 and 1969 except in a few exceptional cases.

Back in the dirty thirties a great deal of land was abandoned and reverted to municipal governments. The owners ceased farming. The best farmers survived and eventually increased their holdings by bringing abandoned land back into production in the forties. The land suffered very little; in fact, it became revitalized from lying idle. There is nothing wrong with the suggestion that, in effect, this should happen again in a planned way. I understand that it would be counted as

summer fallow if a farmer abandoned part or all of his farm, did no cultivation and allowed the weeds to take over.

The only thing wrong with such a suggestion is that few farmers could bring themselves to commit such sacrilege. I would fear for the sanity of the farmer who did it, because if he was not crazy already he would probably go nuts looking at the desecration of his farm. You might just as well ask the gardeners and groundkeepers on Parliament Hill to let the flower beds become overgrown with weeds and the lawns go uncut because of an oversupply of hay in the Ottawa Valley.

Because I do not believe it is right to criticize without making some constructive suggestions, Mr. Speaker, I now propose a few improvements to what is basically a very good program as follows:

1. Treat all increases in forage crop acreage in 1969 more equitably by allowing wheat quota on 50 per cent of that increase.

2. Give full credit on the 1970-71 wheat quota for any increase in summer fallow which took place between 1968 and 1969, even if it means the elimination of the flat 25 per cent credit in the program for all 1969 summer fallow.

3. This might very well permit an increase of one or two bushels in the guaranteed wheat quota level for 1970-71, that is, from eight bushels to nine bushels or ten bushels.

4. Increase the acreage payment from $6 and $10 to $9 and $15 in order to inject the full $100 million into the Prairie economy and in order to achieve a conversion in the area of 10 million acres.

5. Be prepared to continue this program for 1971-72, or another program which might be an improvement on this one in light of this year's experience.

6. If the ministers are really serious about preventing a glut in coarse grains and oilseeds, they should introduce a regulation which would penalize farmers for increasing those acreages. I would hesitate to recommend such a step, but I feel that there is bound to be an increase in coarse grains and oilseed crops in the absence of such restrictions. Farmers will in large number decide individually that they will reduce their wheat acreage, but instead of re-summer fallowing they will seed a variety of crops for which there might be a market.

• (10:30 p.m.)

The history of agriculture teaches us that markets for farm products are unpredictable, by farmers at least. Farmers are, in the very nature of the business, the greatest gamblers in the nation. So they will take a chance that at least some of these alternative crops will find a market.

When our Prime Minister (Mr. Trudeau) was in the Prairies last July he talked face to face with many farmers right on the farms and in the farmhouses, and after hearing about the many hazards grain producers face he made a remarkable statement. He heard that farmers have to make hard choices each year as to what and how much to seed in the spring, and take chances in this regard. Then we have to contend with the weather through the growing season, the risks of hail, frost, drought and flood. Some of these risks continue through the harvest. If we finally harvest some grain, and we have been relatively successful in the aggregate in the last few years—this is part of the problem—after we have it harvested we have to gamble on how much we will sell and what price we will get for it. After hearing all this, Prime Minister Trudeau said, "It appears to me that it would be easier to run the government than to operate a grain farm."

It was gratifying to hear the minister in charge of the Wheat Board say in his statements last Friday that the government regarded this as only an interim measure; long-term policy is being developed. The long awaited report of the Task Force on Agriculture will soon be tabled, I hope. I urge the government to lose no more time in developing a long-term comprehensive farm policy for Canada. It is worthy of note, too, that the ministers have been actively negotiating with at least some of the other major wheat exporters. The United States has had a much more generous wheat acreage reduction program for many years and has progressively reduced its wheat acreage to the lowest level in a great many years.

The minister stated that the Wheat Board and the government will give the fullest possible attention to promoting wheat sales and sales of other Canadian field crops. I agree with the hon. member for Bruce (Mr. Whicher) that this is the best solution for our surplus problem. In a hungry world we must do everything possible to distribute the over abundance we have to the people who need it. So I say, let us revise our selling techniques, let us revise our grading system to diversify our Prairie agriculture gradually and continuously until we get away from this risky, one-crop economy. Having said all that, Mr.

Speaker, and having, hopefully, offered some constructive suggestions for improvements in the plan, I now join the minister in urging farmers to go all out to comply with and take advantage of this imaginative program.

I want also to express my appreciation for the fact that the government has recognized the seriousness of the problems surrounding the grain industry. This plan will, in a very tangible way, reassure farmers in the west that they are not forgotten people. To the extent that farmers are able to share in the estimate of $100 million, the Prairie economy will benefit from a much needed injection of cash. It should be remembered that delivery opportunities in total will be at least as high in 1970-71 as they are in 1969-70. Therefore, all or any part of this $100 million which finds its way into farmers' hands will represent a net improvement in the cash income position. As I said earlier, I am even hopeful that at least a few farmers will openly express appreciation of the plan. In fact, some of them already have expressed appreciation to me. But it is not easy for a western farmer to praise the federal government.

If I may take the liberty of concluding on a political note, Mr. Speaker, I would like to point out again that this program is a very commendable one. The people who benefit from it, and they are very numerous, should be made aware that only the hard work of the Prairie cabinet ministers made this plan possible. At a time when the watchword in Ottawa is "Hold the line," they were able to persuade their colleagues and the Prime Minister to allocate $100 million to this plan.

Without some Prairie Liberal backbenchers to press for cash assistance to grain producers, without some Prairie Liberal cabinet members and without, especially, a cabinet member from Saskatchewan—which we did not have from 1963 to 1968—I do not think we would have had this program.

An hon. Member: You would not have needed it.

Mr. Douglas (Assiniboia): Many of the other ministers have been interested enough in western Canada to pay repeated visits there to learn more about the situation. Even with all these obvious advantages and improvements, I still do not believe this item would have been given approval if the Prime Minister had not taken time last summer to personally investigate the grain problem. He gained a very sympathetic understanding of the business of grain farming with all its hazards.

An hon. Member: You are pretty naive.

Mr. Douglas (Assiniboia): So I hope that many other members and many people across the country will join me in acknowledging, with thanks, that the government has made a tremendous first step in tackling the very important and vexing western farm problems.

An hon. Member: Amen!

Mr. Cliff Downey (Battle River): Mr. Speaker, I heard the minister in charge of the Wheat Board (Mr. Lang) make his announcement on Friday on these new measures in regard to western farmers. After he had made his announcement I listened to my house leader and the leader of the New Democratic Party deal with them rather harshly, and I thought that maybe they were a little hasty in running down his program. Being a new member here, in my innocence I thought he was trying to do his best for us and I even sent him a note of congratulation. How naive could I be? Like so many other proposals of this government, it was only a political exercise, though I did not realize it then.

Over the weekend I had time to see how I could fit his proposals into my own program, because I am still an active farmer, and I could come up with very little. In fact, in my situation it turns out that I will have to go out and tear up 500 or 600 acres of grass so that I have enough quota to pay my cash advance.

Mr. Lang: There is no quota on that.

Mr. Downey: In the few minutes at my disposal, Mr. Speaker, I shall try to point out some of the weaknesses which I see in these measures. I should like to take the example of a man with 1,000 cultivated acres, on which he has quota now. Suppose he has co-operated with the government and attempted to diversify in the last few years, and in so doing he has about 400 acres seeded to grass: listening to the government encouraging him to summer fallow, he has his cropping on a basis of half summer fallow and half crop, so he ends up with the 400 acres under grass, 300 summer fallow and 300 in cash crops.

Under the proposed quota system he gets 25 per cent of his summer fallow from last year included with his new quota for 1971, and this is 75 acres. He is allowed to quota on the 300 acres summer fallow which he has this

year, so in the logical trend of events he only has a 375 bushel quota. Now he has two alternatives: he can summer fallow two years in arow—and we know that this would be one of the disasters of the nation—or he can tear up the 400 acres of grass he has already seeded. So it is actually possible to defeat some of the measures that the proposals are intended to cure.

There are several other situations which have been mentioned briefly. Suppose we run into a situation where a farm is rented from a widow, retired farmer or somebody who needs the income: generally they are on a one-third shared crop basis or something of that nature, and these people need the income from this crop. How will this program fit in with them? They cannot gain anything from the $6 an acre for summer fallow because they will use at least that much money in completing their summer fallow operations. Certainly, the seeding of grass will not help in any way, shape or form.

• (10:40 p.m.)

Let us look at another example. Suppose you have a farmer who is almost bankrupt—and a good many of them are—and suppose he has been summer fallowing half his land and cropping the other half. We will say he has 1,000 acres. He therefore has 500 acres under crop and 500 under summer fallow. This fellow cannot summer fallow two years in a row, or certainly he should not. So he can quota on 25 per cent of the 500 acres he had under summer fallow last year, that is, he can have quota on 125 acres from last year and he will have 500 acres under summer fallow this year. Altogether he has 625 acres under quota on his 1,000 acre farm. It seems that the government is asking farmers to seed more forage or, in this case, to summer fallow twice.

I think I ought to go into the question of the summerfallowing. I do not think any government should ever encourage farmers to summer fallow, because summer fallowing created one of the greatest disasters that occurred on the North American continent. I was a schoolboy in the mid-thirties; I went to a one-room country school, and I remember you had to have lights on in the middle of the day because the sky was black. Today I can still see fences that were built on top of other fences. You could take a bulldozer and on breaking the ground discover one fence built on top of another.

[Mr. Downey.]

One can see what happened. Our land is one of our greatest natural resources. If the government encourages farmers to summer fallow we can be overtaken by an unmitigated disaster, because that is where the government's program is leading. It would be better to let farmers sow grain and use it either for feed or till it under. Certainly, that would be no more expansive than the summer fallowing process. The government could have inspectors to see that the crop is used in this faction so that it will not add to the surplus, but I do not think we should encourage farmers to summer fallow.

Much has been made of sowing land for forage. On Saturday, after the minister had made his announcement, I was working out my crop program and thought I had better order some grass seed. Accordingly, I phoned two of the largest seed handlers out west. One was Canwest, the United Grain Growers seed agency. I endeavoured to obtain the two recommended grass varieties, the legume rambler alfalfa and Russian wild rye, the only combination that is really suitable for palatable pasture in drier areas. I found the seed was in extremely short supply. I was able to obtain the legume at $1 a pound, but Russian wild rye, the other grass seed western farmers use, I could not obtain at any price.

I say to the minister through you, Mr. Speaker, that this matter ought to have been looked into far in advance. Uninitiated people who have not raised livestock think you can go out and buy grass anywhere. They may go to Ontario and buy grass cheaply, but the varieties obtainable here are useless in our western climate and it only misleads people when you encourage them to believe they can use Ontario grasses. If the government had a plan like the one it just announced in mind some time ago, it should have seen to it that suitable grasses were available for seeding.

When you run into an individual who is in poor financial shape you ask, for what will he use this grass? He will be in much too poor a financial condition to buy livestock at current market prices, and he must have some money to live on. True, he will receive $10 an acre for seeding his land to grass but as we have seen, Mr. Speaker, this farmer of necessity will have half his land out of use for two years in order to collect the $10. This means that part of his land probably will not be used for two years running. He will have to cultivate the land maybe twice; he will have to spray or he will have to swath weeds if he

does not spray it. Also, he must pay taxes on the land for two years and, as I say, the land will be out of production for two years because he cannot afford to put livestock on it. He must keep his land out of production this way in order to obtain $10 an acre. Clearly, that farmer cannot afford to subscribe to this plan at all.

The Minister of Agriculture (Mr. Olson) has told us in this debate that the government will probably set up mediation boards or settlement boards to deal with problems as they arise. I can tell him that just about half the people out west will appear before these boards, because this plan was not designed to deal with people, and farmers in particular. As I see it, it is just another bureaucratic monster spawned by those people who brought forward the white paper earlier this year.

I think in this country too many boards and agencies have tried for too long to thwart the law of supply and demand. Who can tell me that farmers today with surplus grain would not be better off if they could sell it for 75 cents a bushel or even $1 a bushel, instead of letting it pile up and of accepting what the government is offering in allowable sales? If we had used the $1 billion we spent during the last 15 years for grain storage, together with the $140 million to be spent under this program, for price supports of grain to sell it on the markets of the world, we should not be where we are today. Any such program would have had a far greater multiplier effect on the economy than the sort of subsidy now being proposed.

It is my experience that western farmers do not want charity and programs like this one. Programs like the one proposed make the people of the rest of Canada imagine that western farmers are receiving charity. They do not want charity; they want better Canadian salesmanship in world markets. Some say, "But if you enter into national competition in an open market, farmers may have to take lower prices for their wheat, and they cannot afford that." I ask, are not the United States, Australia and other countries competing in the open markets of the world, and are their farmers taking in much less money than ours? I do not think so. Certainly we must compete. We cannot live under the artificial world marketing system we have accepted in this country for very much longer. I have been speaking about charity: when programs like this one are implemented, the people of the urban and industrial centres of our country think the farmers are accepting charity.

• (10:50 p.m.)

The media—I do not know whether it does this on instructions from the minister—sometimes projects this image also. Last Saturday I watched a CBC television program which originated in Regina where some farmers from Indian Head were interviewed. They were interviewed in, of all places, the local bar. This may seem a little laughable but all it proves is that farmers drink a little beer. There are not many of them drinking much beer these days. Why does the media not perform its services in other arenas? Why do they project the farmers in this condition? Situations are portrayed, for example, of Indian reservations where there are poor, starving children huddled in the cold with their parents in tarpaper shacks. Why doesn't the media show what they do with their spare time? Why do they not go to the local pub where these people spend 75 per cent of the treaty money they get? Why do they not depict the situation as it really is, instead of segregating the farmer and depicting him in the barroom, when he is one of the most independent hardworking people in our nation?

A similar situation exists with tractors. The news media show big, expensive machines on the farms, suggesting that these fellows cannot be poor. They do not mention the large debt on this machinery. In many cases it is only through the generosity of the machine dealers that the farmer has this equipment. If the farmers are ever forced out of business, the situation will be different in the cities and the industrial areas of Canada. This is one of the greatest areas of productivity in this country, indeed in the world.

The minister responsible for the Wheat Board suggested we should go across the nation and help him sell this program by explaining it to the people. The minister spoke to groups of people. I do not know whether there were 1,000 or 600 people at Mackenzie. He spoke to 500 people somewhere else. Why does the minister not ask some members of the opposition to fly out there with him in the government Jetstar and explain the situation to the people? There are some things we could explain as clearly as the minister.

I wish to again emphasize the hypocritical attitude of the government in proposing these

measures. The government says it is going to spend a huge amount of money on the farmers, but in actual fact this will never come true.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, a number of members of this House who are practical farmers with an adequate knowledge of the situation have torn into shreds the program announced by the minister last Friday, black Friday, the day the cabinet representatives from western Canada sold their country down the river. These members have made wide enough holes in that program to drive through a dozen combines.

The hon. member for Assiniboia (Mr. Douglas), a supporter of the government, very effectively disclosed all the defects and faults in this scheme. Of course, he ended up by accepting the challenge of the Minister without Portfolio (Mr. Lang) to become a patriotic Canadian. Despite all the great faults and evils of this scheme, as a Liberal backbencher he felt compelled to follow the idea. It is very difficult for me to understand this program in light of the very searching and telling criticism which he so effectively put forward.

The Secretary of Agriculture of the United States thought this was a great scheme for Canada. He congratulated the minister and the government of Canada for their fortitude and courage. There has been a program similar to this in effect for a number of years in the United States. This program in many respects has been a complete disaster which has separated town and country and has forced people apart. It has not been a good and effective program. I think what the American Secretary of Agriculture was really doing was saying, "Thank goodness another sucker came into the game," and tongue in cheek he laughed out loud. He was glad to welcome the Canadian minister into the club of those who engage in this act of stupidity.

The minister talks about patriotism. He has invited us to enter into a holy crusade. He wants us to come to the lobby where he will pin red crosses on us so that we can go fighting as knights on our chargers to topple down the mountain of wheat. We are not against this program because it was introduced by the government but because it is not a good program. In many respects it is defective. This is why I want to speak on it briefly.

As the hon. member for Assiniboia and other hon. members have said, this program

[Mr. Downey.]

or something akin to it should have been introduced a year or a year and a half ago as a temporary measure, with a firm indication that within a year the government would make a far more serious and permanent attempt to solve the problem. We all saw the problem. No one knows better than Your Honour that not one week has passed without the minister being questioned with regard to it. We have put forward suggestions in a constructive and objective way, but the abominable no-men on the other side refused to listen to the proposals which we advanced.

The hon. member for Assiniboia let something slip today. He indicated that this scheme was being considered last summer, yet today the Minister without Portfolio and the Minister of Agriculture (Mr. Olson) are unable to answer concisely and with a degree of certainty simple ordinary questions about how the program is going to work. They are flying by the seat of their pants making up the rules as they go along. They have not thought the program through.

Is there going to be legislation? Is this money going to be passed as an item in the estimates? What are the regulations? To what act are they going to be attached? What is the authority for passing the regulations? The minister nods. It will take more than nods, Mr. Speaker. We still have some semblance of parliamentary government left, although certain members opposite are doing their best to reduce it by attrition. Until they succeed it will be essential for parliamentary amenities to be observed. There will have to be some means of appropriating this money. Questions with regard to the amount have been asked by a dozen hon. members and by people all over Canada.

I have received a number of phone calls and letters from people who are very interested in knowing how this program will work. A sensible question was asked by the hon. member for Swift Current-Maple Creek (Mr. McIntosh), which the minister was unable to answer. He asked a question about the situation where one man had all his land under summer fallow last year and another had all his land in crop. How will this plan apply in that situation? People want to know precisely how this program will affect them. My hon. friend from Battle River (Mr. Downey) has inquired about his own situation, as have a number of other hon. members. There have been no answers to these questions.

• (11:00 p.m.)

Mr. Lang: Write me a letter and I will reply.

Mr. Baldwin: If it is a letter which goes through the Post Office, the minister will probably get it by next July when he talks about making the first payments. For some months I, along with others in this House, have been dinning into the ears of the government the seriousness of the debt situation which faces farmers in western Canada, particularly in northern Saskatchewan and northern Alberta. The minister brushed aside these representations. He told the House he could take no action of the kind we proposed. Mr. Speaker, the average payment which might be expected under this program would, I venture to say, not amount to one-quarter of the interest payments which have to be met by farmers in western Canada this year.

The accumulation of interest and taxes to be paid will probably amount to four or five times the gross sum for which provision is made here—and there is no indication of what the net payment will be. Farmers cannot plant forage or otherwise vary their crops without spending a good deal of money. But there has been no indication of the amount they are likely to get, and in these circumstances I have no hesitation in saying that the sheer accumulation of debt falling on these unfortunate people of western Canada will amount to four or five times the likely net payment under this program.

The people of western Canada are practical. They know one cannot dispose of crops with a wave of a magic wand. They want to hear that the government has an intelligent and honest plan on a long-range basis for dealing with this problem. When I put this matter to him last Friday, the minister said he was in touch with the governments of the four other wheat producing countries in the hope of working out a scheme. What, in the name of Heaven, have he and his colleagues been doing for the last two years during which time the problem of wheat marketing has become increasingly serious and obvious?

The minister talks about rationalizing our stocks of wheat. What will these other countries do? Will they rationalize their stocks or will they, when they see that we have substantially reduced our accumulation of wheat, simply maintain supplies at the former level by growing more? As I was saying to the minister on Friday, assuming there is a substantial acreage put into summer fallow, what is likely to be done in the following year? Will this become a permanent arrangement? The minister suggests it will not. But if we look at history we find that allegedly temporary schemes of this nature have a habit of becoming permanent. In the same way this might become a permanent feature of the agricultural economy. This is what I fear, particularly bearing in mind the approach taken by a government which does not seem to know what its final plans will be.

I wish to revert, as I did on Friday, to the statement made by Mr. S. C. Hudson, a former director of economics for the Department of Agriculture. In a statement made on behalf of the Economic Council of Canada in a special report, he alleged the Canadian government had failed to deal with this problem in several specific aspects. There had been a lack of uniformity in protein content, a lack of flexibility in pricing and insufficient attention to marketing. This is in connection with wheat. Others have repeated this statement. Nevertheless, neither the Minister of Agriculture, the Minister without Portfolio, nor any of the members who have spoken from the government side have attempted to deal with this criticism.

Had either of the ministers, in conjunction with last Friday's announcement, indicated that there was a real intention of responding to these criticisms I am confident the people of western Canada would feel there was far more promise in the situation than they do today. It is my honest belief that when the farmers and the people in the small communities who serve them begin to realize how foolish, how defective is this scheme, in the sense that it is being offered as a cure for the difficulties in which western people find themselves, they will generate a tide of protest which will sweep through this country and end up here in Ottawa. The complaints the Minister of Finance (Mr. Benson) has received in connection with the iniquitous proposals in the white paper on taxation will be nothing to what will be said and done by the farmers in western Canada when they realize how defective is this scheme. The minister should take note because he is the one who, having sown this seed, will live to reap the whirlwind.

There are difficult tasks before us, we know. The previous government faced a task of this sort nine or ten years ago. We found that the market for rapeseed, which during the war had been considerable, was diminish-

ing. A number of private members in our party took it upon themselves to make a case before the Board of Transport Commissioners, as it then was, and at the same time we persuaded the then Minister of Agriculture, Mr. Alvin Hamilton, to undertake a number of experimental surveys within his department. In the result, we were able to get the Railway Act amended in such a way that rapeseed was classed as a grain and could be carried to export positions at the same rates as wheat, oats and barley. The government assisted in promoting the sale of rapeseed until today its export occupies an important place in our national economy. This is an indication of what can be done by a government with enterprise, knowledge and a feeling for the best interests of the farmers and others in the agricultural community. The farmers want to know that there is a government in Ottawa which has their interest at heart and is prepared to take the steps essential to maintaining a viable agriculture economy in western Canada.

• (11:10 p.m.)

There are many other points. For example, it is about time the Minister of Regional Economic Expansion (Mr. Marchand) took a look at this situation. There is a strong case to be made, a case that we have attempted to make in this House, for trying to change the economic mix in western Canada by injecting into certain areas a reasonable measure of industrial development to form the basis for carrying forward the country's economy in conjunction with the agricultural economy. I think this is a very essential step, yet the Minister of Regional Economic Expansion has ignored our suggestions.

Then what about making some effort to try to secure employment opportunities for the people of western Canada? This, too, would be part of a wide program which, taken in conjunction with this measure, would probably prove acceptable and would indicate to the people of western Canada that the government of Canada was indeed cognizant of their troubles and prepared to do something about them.

If the government, and particularly the Minister of Agriculture, are prepared to look at these suggestions on this basis, I assure them they will have the strongest support from the members of this party. But standing by itself, this program is defective. It does not meet the situation, and having in mind the psychological attitude of the people in the west, in my opinion it will end up by aggravating and worsening the situation that now exists in western Canada.

[*Translation*]

Mr. Marcel Roy (Laval): Mr. Speaker, I will be brief. I am participating in this debate, perhaps more specifically related to the western provinces, as a member of Parliament and as a citizen of an eastern province of Canada which certainly represents a potential market for western wheat.

I am in favour of the $100 million for western farmers. It is real evidence that the government is aware of its responsibilities and wishes to meet its commitments. I have before me a Chinese proverb which says:

> If you plan for one year, sow grain. If you plan for 10 years, plant a tree. If you plan for 100 years, teach the people. By sowing grain once, you will reap once. By planting a tree, you will reap ten fold. But by teaching the people, you will reap a hundredfold.

We are now faced with a diversification in farming. I mentioned last week that agricultural productivity would increase annually at a rate of about 6.9 per cent during the next decade, compared with 3 per cent in the industry.

It is essential, and I think all members of the House will agree, that we give a new type of leadership to agriculture. We must study new markets, we must consider every alternative and seek the best possible solution.

All hon. members are very actively seeking solutions to the problem. First, I would like to define this problem taking into account the relative importance of agriculture in the economy of the country.

The western farmers produce 55 per cent of all agricultural commodities in Canada, of which more than 40 per cent are for export. However, in the eastern provinces production is lower than $500 million on a total of $2 billion, and only from 10 to 15 per cent of such production is for export.

However, problems are absolutely alike in the East and in the West, as in both there is surplus production. Only one department is concerned and the decision to subsidize western farmers to the extent of $100 million seems to me altogether normal.

However, when I learned last Friday that the Minister without Portfolio responsible for the Canadian Wheat Board had announced compensation payments of some $100 million to western farmers, I was virtually thunder-

struck. Still, I got my senses back quickly enough when I recalled the trip made in the Prairies by the Committee on Agriculture and during which I realized just how urgent it was to solve that problem.

First, I thought that the statement made in the House last Friday was likely to eliminate part of the problem but, afterwards, I wondered whether this was really the ultimate solution. There are two questions: Is production going to be cut back, or are we going to be more competitive on agricultural markets, after studying them?

Here is what worries me most: if we cut down the acreage of productive land and boost fertilization by means of chemicals, we shall then be able to increase production. Production will then increase and even if the acreage is reduced, the productivity will be greater.

I would have preferred that a limit be set on the production per acre. The acreage can be reduced while its productivity is increased. Thus, a certain distinction can be made as to this problem and the purpose aimed at.

Mr. Speaker, I should not like to dwell on the subject before the House; nevertheless, I may say that the western farmers perhaps have not been ill-used as much as is being said, taking into account the present situation of the eastern provinces.

I have here the April-June 1969 issue of the quarterly agricultural statistical review, authorized by the Department of Industry, Trade and Commerce. On page 97, it says that the net income of the three western provinces increased 141 per cent from 1954 to 1968; in comparison, the net revenue of the Quebec farmers, for the same period, increased 14 per cent only. The western provinces, therefore, have not been that much forgotten in budget management.

I would not pretend that our farmers wish to live on subsidies. On the contrary, they are too proud, I believe, to depend on social welfare. We have efficient producers, as shown by the productivity percentage which I mentioned at the beginning.

What worries me is the future of the farmer in the eastern provinces in view of the policy to reduce subsidies. Last year, the cost of potash was increased, and that affected the cost of our farm products. The estimates informed us this year that the transportation subsidies for feed grain will be reduced by $5 million.

We do not oppose the reduction of that subsidy, but we seriously wonder what it is good for. The province of Quebec is granted $10 million for feed grain freight assistance, which benefits the western producer more than the eastern consumer.

• (11:20 p.m.)

I believe that if we accept a reduction of $5 million in the feed grain transportation subsidy for shipments to the East, the minister will have to be asked to establish free trade between the provinces. In my view, the Canadian Wheat Board should perhaps deal with exports, but if trade is free, the transportation subsidy may not be necessary. But it shall be necessary that we have access to western grain and also that the Wheat Board make no distinction between East and West, as this contributes to an increase in the production costs of poultry, milk and eggs.

Mr. Speaker, such a policy worries me because our milk producers have invested millions of dollars in the construction of poultry-yards, pig sties and stables, and this policy will divide the country, thus preventing us from competing with western producers who will then be able to use their surplus of grain for pigs, eggs and poultry.

Then, you have the choice of two things: either take a smaller subsidy for the transportation of feed grain or set up a free grain market between the provinces.

Mr. Speaker, I do not want to spend too much time on the subject, but since we are faced with a double problem of wheat and milk surpluses, we have studied the policy of the Canadian Dairy Commission. We heard the representatives of 14 national associations in order to examine that policy which involved a production cut of 10 million pounds.

The new assistance program of $100 million did not impress any of the members of the Committee on Agriculture, although we are not the least opposed to it.

I conclude my comments by pointing out that according to 1980 forecasts, meat consumption will increase by almost 50 per cent and poultry consumption by almost 75 per cent. In view of the policy to reduce transportation subsidies for feed grain, we will not be able to produce and meet competition, which will kill agriculture in eastern Canada.

[*English*]

Mr. John Burton (Regina East): Mr. Speaker, a rather feeble attempt was made earlier

in the evening to suggest that the hero of the piece in connection with the policy announced by the government was the Prime Minister (Mr. Trudeau). I think tonight we had a far more realistic exhibition of the interest of the Prime Minister in this particular question, when, after my colleague the hon. member for Saskatoon-Biggar (Mr. Gleave) had commenced to speak, the Prime Minister entered the House and indicated that he wished to make an announcement. I think no member of the opposition had any objection to this as such. The Prime Minister on occasion has very important matters to announce. If it was indeed a very important matter that required consideration at that moment, no one would stand in his way. However, we had an announcement which I think was not so urgent that it could not have at least awaited the completion of the speech of the hon. member for Saskatoon-Biggar.

Subsequently, as soon as the Prime Minister had made his statement and after exchanging a couple of comments privately with colleagues on that side of the House, he left the House prior to the completion of the address of the hon. member for Saskatoon-Biggar. I think this gave a very real and accurate indication of the degree of interest in this problem by the Prime Minister.

I think when we are discussing the issues before us this evening we should keep in mind those about whom we are talking. We are talking about the farmer and his family; we are talking about his community; we are talking about the food-producing industry and about all other segments of the economy which are related to agriculture. We had a policy announcement last Friday which I consider to be the culmination and climax of a long series of events involving mismanagement, bungling and policy errors. Now the farmer has to pay the shot. He is left with little in the way of real alternatives in the present situation, on the basis of the announcement made last Friday. He is locked-in on the basis of the quota system as it is now being developed. He is almost being forced to take land out of production.

The minister and government officials have stated that the income of the farmer will not be changed because he will just be selling the inventory that he already has on hand. I hope the people of Canada and government members realize that what the farmer will be selling during the coming year from his inventory is what he will have to live off, secure his income from and pay the greater portion of his expenses out of for 1970-71, and that this is some of the income which helped to build paper-income figures over the past several years but was not cash income in the pocket of the farmer.

We have had, of course, a very important policy announcement by the government which will affect every person in western Canada. I presume a good deal of study went into this policy before it was finally decided upon. I understand that there were a number of studies carried out leading up to the conclusions and decisions of the government. I appeal to the minister in charge of the Wheat Board, who has been involved in this matter, to table some of the relevant studies on this matter in order to provide fuller information on the subject and which would contribute materially, I suggest, to a more informed discussion of the issues before us at the present time.

Of course, we have considerable background on this situation which I do not intend to go into in detail at this hour of the night. Several years ago we had the statement of the Minister of Trade and Commerce at that time: You grow the wheat and we will sell it. Later on we had the development of the switch-over from the International Wheat Agreement to the International Grains Arrangement, which left very serious deficiencies in terms of the over-all international marketing situation. Then we had an 11-month period between the expiration of the old International Wheat Agreement and the commencement of the new International Grains Arrangement. This, of course, produced a very serious situation for the western farmer and witnessed the commencement of the disappointing slide in the international wheat marketing situation.

• (11:30 p.m.)

We had price drops at that time. Later, in March of 1969, there was a policy decision to drop prices below the International Grains Arrangement minimum. We have as yet had no indication from the government that there will be any price guarantees in terms of the final payment for the 1968-69 crop, for the present crop year 1969-70 or the next crop year 1970-71.

Several members have made reference to the prospect of a new grading system being introduced, which has been referred to for many years. I first heard the chief chemist of the Board of Grain Commissioners outline this new system of protein grading over 20

years ago. As yet the House of Commons has not been given the details of this plan. Some months ago the *Financial Post* and other publications were able to obtain some information on this matter, but the members of the House and the farmers have not been able to obtain any detailed information on it. There have been indications and suggestions that it would be tabled in the House and that a bill would be introduced, but we still have not seen it.

Within the framework of the plan announced by the government there are, of course, a number of very important questions. I was pleased to hear one statement made by the Minister of Agriculture (Mr. Olson) in which he indicated that the government would be prepared to take a look at some of the details of the plan as it was announced, in order to try to remove some inequities which might arise. I certainly hope this is done, because I think it is badly needed.

One of the questions that comes to my mind concerns consultation with other nations. I note that in his statement the Minister without Portfolio (Mr. Lang) made reference to the fact that he is proposing a meeting with the governments of Australia, Argentina, the U.S.A. and the Commission of the European Economic Community at the ministerial level to review the Canadian program and consider complementary action by others designed to compound its benefits internationally. It seems to me that is no way to carry on international negotiations and international affairs. First of all you give away everything that you have to bargain with, and then you see what the other fellow is going to do. This is a rather poor application of negotiating principles.

Reference has already been made to the problems created for the farmer who in fact adjusted his production last year. I urge the minister to take a look at this matter and to make adjustments in the program. I can give him examples, perhaps not quite as severe as the one referred to by another member earlier this evening, but of a farmer in the minister's constituency with whom he is well acquainted, I believe, and who has 680 acres of cultivated land. In 1968 he had 320 acres of wheat under production; last year he reduced it to 120 acres of wheat. Plans for the coming year involved some 150 acres of wheat, and he planned to increase his summer fallow acreage. On the basis of the plan announced, he would be left out in the cold.

This is not a proper application of the plan. In fact, I think there are other considerations as well. What about the farmer who maintains an acreage of registered seed? How is he affected if he maintained a reasonable acreage of registered seed, even though he increases his summer fallow acreage? Some consideration should be given, not to the person who goes in and out of registered seed but to the farmer who produces registered seed on a regular basis.

What about the situation involving landlord-tenant arrangements? Here I refer to arrangements involving crop shares. There is no problem with respect to cash rentals, at least in terms of the landlord. It is the tenant's problem whether he can find the money or not, but at least there is no problem inherent in the arrangement itself. But where there are crop sharing arrangements, how is the landlord affected? This matter was referred to earlier this evening.

Several references have been made to the problem involved in the incentive that has been given for greater summer fallow production this year. One of the most serious problems has to do with the area of the Prairie provinces wherein they engage basically in two-year cycle patterns of production. Generally, farmers year after year leave one-half of their land in summer fallow. Will these farmers be expected to summer fallow their land two years in a row? The hon. member for Assiniboia (Mr. Douglas) suggested that basically this was a good program. I think many farmers in his constituency will not consider it to be a good program.

I would also raise a question about the situation of farmers in areas where more summer fallow work is required. It is well known that there are many areas in the Prairies where only two or three summer fallow operations are required in a year, whereas in other areas six or seven operations are required. I think this produces a problem which should be taken into account.

Beyond that I suggest that a legitimate question can be asked whether in fact it is reasonable to ask any farmer to take more than a certain percentage of his land out of production under this crash program. I think it is very unreasonable to suggest this, if that man is expected to continue farming in the future.

Questions were asked earlier today about forage seed prices and the possible pressure on prices that will come about as a result of

the government's announcement. I think this question should be given further consideration. In my own province of Saskatchewan a great deal of pressure has been put on the provincial economy as a result of the downfall in farm income, and I suggested that there will be even greater pressure.

The situation in Saskatchewan is reflected in the most recent population figures which show that between October 1, 1969, and January 1, 1970, the population of that province dropped by 8,000 people—from 956,000 to 948,000. In fact, from October 1, 1968, to January 1, 1970, the total drop was some 12,000 people. I think this is a reflection of the situation which the Saskatchewan economy faces. We see this evidenced in many areas in terms of retail sales, closed businesses and shops, increased unemployement and reduced capital investment.

On the other hand, we find very little in the way of alternative programs offered by the federal government in the coming year to offset this situation. We have a very poor regional development incentive program. We have nothing in the way of a public works program for Saskatchewan. Certainly, it seems to me that the federal government has not given adequate consideration to the very serious problem facing the Saskatchewan economy.

It has been suggested by the government that they will be spending in the neighbourhood of $100 million or more on this program. I suggest this simply will not happen and, in fact, a much smaller amount will be spent. The government has, I suggest, even within its own inner circles, admitted that a much smaller accomplishment will be achieved than has been indicated. This is a short-term program. It is designed basically as an incentive to take land out of production. It is not an income maintenance program, and it seems to me the government has to be concerned with income maintenance. I suggest that we need more programs in the way of income maintenance for farmers if we are to avoid a disastrous situation.

• (11:40 p.m.)

I suggest that up to now we have had a total lack of planning of the Prairie economy in western Canada, in terms of federal government programs. I suggest the federal government has completely ignored the report which was just published by the Economic Council of Canada, written by S. C. Hudson, a well known agricultural economist, entitled, "Future Market Outlets for Canadian Wheats and other Grains." In this study he notes that on the basis of market projections for wheat over the next several years there is room for wheat acreage of some 23 million acres. That is only a 6-million acre drop from the 1968 figure.

On the other hand, he points out that by 1975 there should be a diversion of almost 8 million acres of improved land from wheat to coarse grains, forage and pasture crops, and of something over 2 million additional acres to rapeseed production. Thus, in terms of his projection the increased acreage required for coarse grains, forage, pasture crops and rapeseed production far outweighs the drop in wheat production or wheat acreage that he envisages. But we do not see this reflected in the government's program at the present time. We do not see it reflected in the manner in which the government is treating farmers under the announced program.

We are not just speaking of agriculture; we are speaking of more than just farmers: we are speaking of the prairie economy and the effects of this program on the entire economy of Canada and Canadian society. It will affect town, city and country alike. I suggest that the present situation and the plans as they have been developed can harm all of Canada.

I want to make it quite clear that we in this party are committed to the principle of orderly marketing, which is presently under attack from some quarters. Ways need to be found to improve this system in some areas, but we have to make it quite clear that the continuance of orderly marketing is critical and essential if we are to solve our present problems. We need to extend, develop and help the system as it has been developed up to the present time. But we have a ridiculous situation where the farmer has been told, "You have done such a good job of producing food over the last several years that we do not need you this year." The farmer is now expected to crawl into some gopher hole, hibernate for a year and come out in the spring of 1971.

I suggest that the government's policy, if in fact it is successful and carried through to its culmination, is insensitive and will be destructive. I suggest it will be unfair and inequitable and that it will create havoc in the Prairie economy. We need to ensure the survival of a viable agriculture and a viable farm structure in western Canada. We need

adequate measures to assure farmers of a stable income and a stable pattern of production and farm organization for future years.

Mr. R. R. Southam (Qu'Appelle-Moose Mountain): Mr. Speaker, the hour is getting late, and I shall keep my remarks brief because many of the problems relating to the acreage reduction plan have already been gone over in the debate. The wheat acreage reduction plan that we are discussing this evening is negative. It is an admission of failure. This program that was announced last Friday by the minister who speaks for the Canadian Wheat Board is an unquestionable admission of the government's failure to sell wheat.

The wheat sales statistics available at the moment indicate that Canadian wheat sales to date are down 31 per cent for the first four months of this crop year and are the lowest in 14 years. If we look at our competitors' record for the same period, we find that Argentina has increased wheat sales by approximately 60 per cent, Australia by 50 per cent and the U.S.A. by 40 per cent.

The minister stated this evening that our wheat sales will show a substantial increase by the end of the crop year. He suggested they might reach 375 million bushels. Of course, I hope he is right, because naturally all sales will be appreciated by our farmers. But this amount falls far short of our share of world markets when the original IWA was effective. In those years we reached sales peaks of 500 million to 600 million bushels. So, Mr. Speaker, our western farmers cannot really get very excited about a 375-million bushel sales total this year, and we must all agree it will make a pretty small dent in a one billion-bushel wheat carryover presently in our storage bins, to say nothing of what may be added after this year's crop is harvested.

I give the government credit for finally realizing that there is a very serious problem facing western agriculture, but I cannot give it any credit for saying that this program will solve the problem. One could honestly say it is too little and too late. It is still basically only crumbs from the master's table. At first blush the general public, the press and those not too familiar with the western situation would say that $140 million is a lot of money for one industry. But let me point out, Mr. Speaker, that it has already been fed back to me from western farmers that in all probability about $40 million may be the maximum that farmers will be able to utilize under this proposal. This of course remains to be seen. I might mention here that when I say "fed back to me," I had the privilege of attending a meeting in Saskatoon over the weekend where our PC Party was having a leadership convention, and we had delegates, 350 in number, from every corner of Saskatchewan. We had a first-class discussion of the various problems affecting these people, we heard their points of view and I may say that they are not very optimistic.

The biggest and most immediate criticism I hear is that $6 per acre for summer fallow only pays the cost of cultivation and keeping the weeds down for a year. What does the farmer do about the high land taxes, the interest on his loans against the land, the cash required to keep his wife and family, the interest on machinery payments, etc? The summer fallow payment should have been at least $10 per acre to be realistic.

In regard to the forage crop plan it also falls flat on its face because of the cost to farmers in loss of a marketable product. In the first place, cultivation costs and the purchase of grass seed will take up the $10 per acre bonus at once. In fact, it is becoming clear that grass seeds, if they are at all available, will cost 70 cents or 80 cents per pound in some cases. This indicates that here is an area that the Minister of Consumer and Corporate Affairs (Mr. Basford) should check into at once.

One of the strongest complaints I hear is based on the fact that due to the high summer fallow voluntary increase last year, some 15 per cent, coupled with the much greater summer fallow hopefully predicted by the government this year under the present plan, if the weather situation turned dry we could conceivably have the worst dust bowl in Canadian history throughout the whole Palliser triangle.

Many hon. members, including the western Liberal member from Assiniboia and my colleague from Battle River, have pointed out quite clearly the many inadequacies of this acreage reduction plan and have implored the government to review the whole program. Therefore, it is not my intention at this late hour to bore hon. members by repeating these complaints. But I would like to place one or two quotations on the record to indicate to government members opposite that all is not well with the plan and that all is not light and happiness with those affected by it.

For instance, I wish to quote a small article reporting a speech by no less a personage than a former member of the House of Commons from the riding of Assiniboia, who is now a Senator and who at one time, under the regime of former Prime Minister Lester B. Pearson, was promised the agricultural portfolio. Therefore, I feel hon. members opposite must have confidence in what he says. It is headed, "Argue Criticizes Policy" and reads as follows:

Senator Hazen Argue Saturday called the government wheat policy shocking and unacceptable.

Mr. Argue charged the government of tampering with the quota system and changing the rules to decree that farmers shall cut back on wheat acreage.

"Surely in a democracy where participation ought to be sought, no policy should ever be introduced that has such a revolutionary effect before being given a thorough airing amongst those it will affect," Mr. Argue said in a telephoned statement from Ottawa.

Mr. Argue also claimed that $6 an acre is an unrealistically small payment and said the cost of summerfallow is that much or more; consequently there is no payment for land taxes and there is no financial compensation for loss of the crop.

He suggested the new wheat policy be placed before public meetings similar to the manner of Mr. Benson's procedure with the white paper on taxation.

• (11:50 p.m.)

Mr. Argue also suggested that a House of Commons committee should study the proposals and conduct a mail survey involving the Prairies' 180,000 grain producers.

"It is essential that policies have the support of the producers," said Mr. Argue.

Here is another excerpt under the heading "Grain Expert Offers Views". This is the president of Federal Grain Limited, Mr. George Sellers, and he gives the government a pat on the back saying that the program should prove effective and he qualifies it by saying:

"We are concerned about some of the mechanics of the announced program," said George Sellers in a news release—

Mr. Sellers said the wheat surplus is not distributed equally between all producers and therefore many farmers who have no surplus will likely grow wheat in the coming crop year on part of their acreage.

He added that it was doubtful if there can be much more than a 1,000,000-acre increase in forage crops because the announced program as some forage seed is limited in supply.

"We are concerned that many producers might attempt to grow forage crops in areas that are not adaptable to their production such as the Palliser triangle," he said.

[Mr. Southam.]

"This is of particular concern today because a large percentage of the surplus wheat is located in this area."

Mr. Sellers warned that with the marked increase in summer fallow acreage during the coming year, soil drifting could become a serious problem unless special precautions are taken.

This, of course, has been emphasized by many people already. Other newspaper headings read "Wheat Plan Admission of Failure," "Cautious Optimism Greets Wheat Proposal," "Hardly Worth While," "Feast or Famine". I should like to quote briefly from a letter I received from a farmer. I do not know the man personally, but from his letter he appears to represent the average type of farmer and he puts some facts very pointedly. The letter is dated February 28, from a Mr. W. H. Trudgeon of Whitewood, Saskatchewan who says:

A word of warning. Dire consequences may result unless these repressive measures are withdrawn from the newly designed regulations affecting delivery. The so-called incentive payments on land taken out of production of wheat is almost totally inadequate for most farmers in this area. The outlined program is unrealistic in the extreme. If the governement is going to dictate how many acres any particular producer may plant, they must be able to provide that producer with an adequate subsidy per bushel in order to help his income up to an acceptable level. The policy seems rigid and also complicated. I would suggest that meetings of the government officials concerned take place all over the grain growing area of the west with the farmers concerned because conditions are varied. What would help some farmers would strangle others, possibly the majority. It may be sufficient to observe that time is of the essence. The anger of the people here about such meddling with our basic freedoms is barely suppressed with such trash as has been delivered to an otherwise law-abiding people. We expect action to protect our right to run our own affairs at least with some sense of personal freedom. We await your reactions in this matter with interest.

Mr. Speaker, that gives you just a few samples of the current thought in connection with this matter. In conclusion I should like to ask the Minister without Portfolio who has introduced this acreage reduction who he consulted in western Canada before bringing in this plan. He has mentioned discussing it with farm organizations but strange to say, when I was in Regina early today I was informed that the government of Saskatchewan was calling an emergency cabinet meeting today to discuss this plan and its failings. I do not have to remind hon. members what the political complexion of the Saskatchewan government is. Surely the minister and the government should have had consultations with the premiers and the ministers of the

three Prairie provinces before introducing this half-baked plan.

Mr. Speaker, before this plan can become successfully effective, the government will have to give many more answers and make many changes.

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, I promise to be brief because I know that if my colleagues in the House are as tired as I am, brevity will be about the best thing I can produce at this time. I support the motion introduced by the hon. member for Saskatoon-Biggar (Mr. Gleave) this afternoon and agree with a number of things that were said about the details of the legislation introduced in the House last Friday, things said not only by the hon. member for Saskatoon-Biggar but by the hon. member for Battleford-Kindersley (Mr. Thomson) and several others. That is one of the handicaps in participating in the debate at this time of night, Mr. Speaker.

There is one thing I really do want to stress, however, and this is as a result of a number of phone calls that I have received, one as late as ten o'clock tonight, stressing the disillusionment and disappointment of many people with small farms in my constituency in regard to the announcement of Friday last regarding the reduction of wheat lands by 22 million or 24 million acres. This is going to affect many smaller farmers in a negative way, the farmer on the half or three-quarter section with 200 or 300 acres of cultivated land. It will not help them very much at all and many will be worse off than before because they depended on the unit quota to pay immediate expenses in the fall. In many areas of my constituency there are small farms where people are going to feel the pinch when they find next year that they do not have the opportunity to deliver 400 bushels of wheat in a unit quota.

This is something we must emphasize to the government as members of political parties, that we must give the opportunity to the smaller farmers as well as the larger ones with units of 1,000 or 1,500 acres. The small family farm still has a place in Canadian society, a place in western Canada, and I think this could be just another way of speeding the day when the small farmer is forced off the land. I should hate to see this happen, Mr. Speaker.

In many ways this plan is nothing but a teaser to the farmers. They are being provided with $6 or $10 an acre to take their land out of wheat production. This is barely enough to cover the cost of summer fallow. On top of this the farmer has to make a living and has to meet his expenses from last year and provide for the year ahead.

People in my constituency have been waiting for a long time and with anticipation for an announcement from this government and I know many of them are disappointed in the announcement of last Friday. It was a unique announcement in many ways. It was an admission by the government that they had failed in their marketing policies and that the government did not really have a solution. The only solution they offered, to take wheat land out of production, is a great insult to many farmers. It is also a great contradiction when we think that more than half the people of the world are either hungry or dying of starvation while we in western Canada have a surplus of grain.

• (12 midnight)

We have the capacity to produce even more grain, but we cannot sell it. Food is one of the greatest tools for peace there is. Hungry people in the world will rebel, no matter where they live or under what political system they live. That is what I must stress again and again, because it is something the government has forgotten as it goes about governing the country day to day. There are many contributions we can make in the nation and the world, and we must introduce vast changes in our way of doing things pretty soon, not only for our own sake but for the sake of the people of the world.

The hon. member for York West (Mr. Givens) has been undertaking interesting activities and making interesting statements. In one of his statements he said that we spend more time in this House talking about agriculture than about any other subject. Perhaps he is right. We spend a great deal of time talking about agriculture, but is it not ironic that the more we talk about it, the less seems to be done about it? The government never takes our hints and never seems to listen to us. Some say that Parliament is becoming more and more irrelevant. Perhaps that is true, perhaps we should not be talking in this debate.

Are we doing any good here and accomplishing anything? I ask myself this question more and more as every month goes by. Perhaps we are just sitting here and playing

little games with each other; perhaps we are merely participating in a debating society and exchanging niceties and formalities.

Mr. Woolliams: We are.

Mr. Nystrom: If that is correct, we must bring about some changes to make this institution meaningful to the people of the country—the people who count.

Mr. Woolliams: Hear, hear!

Mr. Nystrom: It is not only the members of this House, members of all political parties, who have been pointing out problems and possible and feasible solutions to them; the people of this country have been mentioning them also. The Premiers of the three Prairie provinces—I refer to the Premier of my province, the Premier of Manitoba and the Premier of Alberta—have sent briefs to the federal government which, although representing different points of view, discuss the same or similar problems. Yet nothing seems to have been done about the problems of those provinces. In the government there are three cabinet ministers from western Canada, the Minister without Portfolio from Saskatchewan (Mr. Lang), and the Minister without Portfolio from Manitoba (Mr. Richardson), the Minister of Agriculture from Alberta (Mr. Olson). They should know what is happening. They have lived in western Canada all their lives. They should be sensitive and responsive to the way people feel out west. They should realize from their mail what is happening in their constituencies.

In addition, the government must be obtaining the views of the National Farmers Union, the wheat pools, the Federation of Agriculture and other farm organizations and private citizens. Yet those views are not being heeded. The government is not responding to the wishes of the people. This behaviour is characteristic. We shall have to solve our agricultural problems really quickly or this country will be in serious trouble.

I think the Prime Minister (Mr. Trudeau) and the government really do not care what is happening to the western farmer or the Prairie farmer. When farmers tell me they are getting more and angry in my area, quite frankly I do not blame them. What happened last July on the Prairies may be only a beginning to what may happen if something is not done immediately. I cannot overemphasize this. I know many farmers out west, including the people who voted for the hon. member for Saskatoon-Humboldt, believe the Prime Minister does not care about them.

Mr. Woolliams: They know.

Mr. Nystrom: They think he has forgotten about them. Personally, I think the Prime Minister does not care; I think he has forgotten about the farmers; I think his attitude toward their problems is callous. He thinks the farmers are expendable. Let us look at the record. During the federal election campaign the Prime Minister said in Winnipeg, in June, 1968, "Let the farmers grow all the wheat they want. We will sell it. Do not worry about it." In November of the same year, after he had won the election, he said, "Why should I sell your wheat?" He is the Prime Minister of this country. The duty and purpose of the Prime Minister and the government is to do collectively what we as individuals cannot do. This is where the Prime Minister has let down the farmers of western Canada.

In February of this year the Prime Minister made a speech to the students of Carleton University. When questioned by the students as to why he was not helping western farmers he said, "When I was out there last summer I was asked by a group to give about $200 million in cash to western Canada. I don't think they really need it because some of them came to see me on $12,000 tractors and they probably live on $100,000 to $200,000 farms. I don't really think that most of these farmers are very poor." This is a very callous, cold and calculated attitude. I think it should be condemned by all members of this House, especially those from western Canada.

I do not say this with an ideological commitment, but it is no wonder the Premier of Saskatchewan and many provincial Liberals are embarrassed by the federal government. There is one member in this House who knows that—the Minister without Portfolio from Saskatoon-Humboldt (Mr. Lang). I cannot say that I blame the Saskatchewan Liberals, because the activities and inactivities of Ottawa have made the provincial Liberals very fearful about their chances in the next election.

I wish to deal with one or two more items before my time expires. If we look back over the election campaign it is very ironic that the Prime Minister had one issue that overrode all others, that of national unity, not only of bilingualism but economic disparities and inequities as they existed across this

country. This has been a real disappointment because we cannot have national unity in this or any country by having only bilingual equality. It is necessary to preserve national unity.

I am a strong supporter of bilingualism and biculturalism. I am currently studying French in order to try to understand the one-third of this country that is French speaking. I think we should all make efforts of this sort. We are only fooling ourselves if we think this is going to hold Canada together—it will not. There must be economic and social changes. All regions of this country must feel they are equal partners in Confederation. If they do not, Canada as a nation may not celebrate its 150th or 200th birthday.

It is very ironic that the Prime Minister who preached national unity, the eradication of economic disparities and inequities, has up until now contributed more to disunity in this country than any Prime Minister in the history of Canada. He is not only destroying the pocketbook of western farmers but their very way of life. This is very important. Other hon. members have pointed out that not only is the farmer suffering, but the small businessman and everyone else in the west.

The farmer has planted wheat year after year. The government says to him, "Don't grow wheat; we cannot sell it." The farmer is not given any alternative. It is like going to the doctor and saying, "Listen, Doctor, don't practise medicine; we have not enough hospitals for you." This is going to put many of our small farmers in a very precarious position. The small farmers cannot be sent into the cities because they will find themselves in a very foreign and alienated environment. Those who are unskilled and untrained will be faced with unemployment and will become part of the urban poor.

The minister could help alleviate the situation today in Saskatchewan and, indeed, all across the Prairies. This is becoming a national issue. Soon it will concern not only the Prairie people: already people in Ontario in the machinery industry have been laid off, and people in industries directly related to agriculture will be laid off in the very near future.

• (12:10 a.m.)

The Minister without Portfolio from Saskatoon could be doing a great deal to help. The people of western Canada are counting on him. Every time I go out west people ask me: "What is he really like? What will he do for us? Does he have the courage to face up to the Prime Minister?" Up to now I have said, "I hope he has. I have seen no evidence of it, but I think he will." I am not so sure, now. If the Minister without Portfolio does not have the courage to change government policy, he would be better off to resign as soon as possible. If he fails to do so, his leave of absence from the University of Saskatchewan will be over soon, as one member on this side remarked not long ago.

The situation is serious. Everyone involved is suffering financial hardship, not only the farmers but everyone in the province, particularly in a riding such as my own where most of the towns are relatively small and where everyone depends on farm income. Farm income has decreased, non-farm income has decreased. Unemployment has almost reached an all-time high and, as the hon. member for Regina East (Mr. Burton) has said, the population has declined. I believe the only province which experienced a decrease in population last year was Saskatchewan.

As to markets, I believe they are available. We need to embark on a new sales policy. People are hungry, and people who are hungry are willing to eat our wheat provided we can trade with them and build up a barter system. We shall have to do this very soon. Again I plead with the Minister without Portfolio to do something to change government policy and the direction it is taking. If he fails to do so, he will not be the only one to suffer; others in western Canada will be suffering handicaps in the very near future.

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, I do not need to emphasize that the present wheat problem is very serious indeed. We who only three years ago were talking about growing all the wheat we could are now faced with the task of dealing with a carryover amounting to a billion bushels at the end of this crop year.

The factors which brought this situation about are many and varied. In the usual importing countries there has been a drive toward self-sufficiency through the greater utilization of fertilizers, new technology, water resources, pesticides and so on. For a time, at least, world cereal production seems to have caught up with world demand, with the consequence that there is a glut on the wheat markets of the world. Total wheat production increased 48 per cent between the years 1954-59 and 1966-67. The main factors

affecting wheat exports have been the cultivation of improved varieties of short-season rice and the trend toward double and triple-cropping. This trend has been evident for a good many years; it has been encouraged for economic, technical and political reasons, but awareness of this development in Canada has been slight due to the separation of our marketing arrangements from the productive end of our agricultural system.

Along with increased acreage under production there has been a large increase in yield per acre. The average yield of wheat throughout the world has increased by 29 per cent; in Mexico the increase amounts to 200 per cent. This improvement has been going on slowly over the years. Again, almost all countries operate some form of price support, incentives and so on to obtain a specific objective. Tariffs and various restrictions imposed for this purpose make it very difficult for Canadian wheat to penetrate these markets.

The demand for feed grain is the fastest growing in the export field. Exports increased from 13.6 million tons in 1935-39 to 42.4 million tons in 1967, a growth of more than 300 per cent in 30 years. Unfortunately, Canada does not share in this market. We exported 73 million tons in 1935-39, increasing only to .78 million tons in 1967-68. In 1935 our share of the market amounted to 5.3 per cent but in 1967-68 it was only 1.3 per cent.

A large carryover in wheat is evident in all export nations as well as surpluses in countries that normally are classified as importers, such as Spain. As of July 1 the United States carryover was 810 million bushels, Canada's was 848 million bushels and Australia's was 250 million bushels. So our Prairie grain economy is in serious trouble indeed. It will require the best efforts of all to cope with the problems and to seek solutions. It is imperative that our Canadian program be developed and operated in terms of the real world and in such a manner as to allow us to compete. Our commodities must be competitive in quality, availability and price in order for us to sell our grains in world markets.

What does the government propose to do to remedy the situation? There is to be a payment of $6 per acre for summer fallow and $10 per acre for seeded grass. In addition there is to be a severe restriction in quota deliveries. The government has indicated that it believes and hopes that 22 million acres will be taken out of wheat this year. This seems a bit impractical, and the initial reaction in my own riding has been mixed. I found few who felt that this would begin to solve the problems of overproduction of wheat.

Indeed, Mr. Speaker, it seems likely for various reasons that, at least over vast areas of western Canada, there will be little reduction in wheat acreage. Nearly all the farmers have indicated that they are likely to carry on much as usual; that they would sow as much wheat as they could reasonably expect to get rid of on their quota. The farmer must of necessity carry on as best he can under all circumstances.

If the government is afraid that the $140 million that would be paid if all acres that qualify were put into summer fallow, the Minister of Finance (Mr. Benson) can rest assured that the farmers will not require nearly that much. It is more likely to be less than half that amount, and could easily be much less. The program is likely to have only marginal effect. Certainly, it seems that if there is an average crop in the west, next year will see as much wheat grown as we will dispose of at home or in our export markets. The program shows little imagination, and then only in the minds of the bureaucrats who are giving advice to the Minister without Portfolio (Mr. Lang). The larger problems remain. The only real solution is to sell more wheat or to diversify and sell the products as feed grains.

Dr. Irvine, director of the Board of Grain Commissioners, stated that the Canadian Wheat Board is losing out to Australia, the United States and the Soviet Union in sales because we do not sell wheat on a protein basis. Our sales to the United Kingdom have dropped from 78 million bushels to 55 million bushels due to the advent of new baking processes which are spreading to all western Europe. It is important to the British millers to use a high guaranteed protein wheat so that the wider use of home-grown, low protein wheat can be made. Some millers indicated that unless Canada supplied high grade protein wheat, they were not interested in Canadian wheat.

The same story is true all through France, Germany and other areas where a high percentage of bread flour grist is made up into low protein domestic soft wheat. This is also true in other markets in Africa, Asia, the Caribbean and many Latin American countries. Dr. Irvine concluded that Canada can

compete with any country in world markets because the quality of our wheat is still there. It is still an asset. But we must develop a protein grading system that will let us offer some of our wheat for sale on a guaranteed protein basis. Western Canada would be a lot happier if this government showed more signs of moving toward what is a desired goal. Even the minister in charge of the Wheat Board admitted on his return from London that the selling of wheat on a guaranteed protein basis was a necessity. So let the government hurry along with this desired reform.

A second area about which I should like to say a word is the handling of our rapeseed crop. Rapeseed, a Cinderella crop in past years, is in the opinion of many an agricultural crop that may have some future. The crop this year amounted to 40 million bushels. There is talk of being able to sell abroad up to 100 million bushels. Whether this is possible remains to be seen. We have not gone about the exploitation of this crop in a manner which would indicate that it had much future. Delivery at our ocean ports has been very slow. In Vancouver, for instance, there is a reservation of only 1,500,000 bushels for rapeseed. There has been no so-called free rapeseed in Vancouver for months; it has all been sold for months previously. If a buyer of rapeseed wishes to take delivery at Vancouver he has to wait nine or ten weeks because with the quota system, the block system of transportation and the shortage of cleaning facilities at Vancouver, it takes that long for the rapeseed to be obtained from the farmer's bin and moved to the ocean port.

• (12:20 a.m.)

This year there has been a world shortage of edible oil crops. We do not seem to have taken all the advantage of this situation or to have been able to exploit the market to the fullest. This may be because the Wheat Board is in charge of quotas and shipping yet is not involved in selling. Last fall there were persistent reports of sales of flaxseed being lost because flax was not available at ocean ports. Perhaps this was overemphasized, but the uneasy feeling remains that the Wheat Board did not do nearly as good a job as it might have done in this situation.

In the matter of feed grains it is necessary to pursue an aggressive policy. Last year in the world markets we only sold 26 million bushels of barley. This year's exports are confidently expected to be much more. What is the difference? It seems to be that in the markets of the world we are now pricing our barley at a realistically competitive price. It is a lower price, but at least we are selling barley. Had such a policy been followed last year it is quite likely we could have done much better.

Those are only a few of the areas which could well be talked about. There are many areas in which much remains to be done. We have only really begun to think of what should be done in our sales areas. The government has become expressively legalistic and managing in its approach to the problems of western agriculture. The minister talks about export production, sales and how each would be balanced exactly. The government believes the farmers can be made into ciphers and that they will respond like trained ants. How wrong can the government be? If this is to be the main thrust of government policy, it leaves much to be desired; it is a pale shadow of what should be done. Western agriculture will have to wait longer before the minister will bring it to the promised land.

I suggest that the regulations suggested last Friday seem quite complex and difficult. I hope the minister will make every effort to publicize them, because each farmer will have to decide what the regulations mean to him. Let me close by reading what Premier Thatcher is quoted as having said, by the *Western Producer* of Thursday, February 26 at page 2:

> Because of the farm crisis, he said, there is a "bitterness abroad in the Prairies which is somewhat frightening. I must tell this conference that unless far-reaching steps are taken soon, the agricultural industry of western Canada could be ruined for a decade.

With this in mind, I hope the minister will watch the grain problem on the Prairies.

Mr. A. C. Cadieu (Meadow Lake): Mr. Speaker, I am very happy to be here tonight to take part in this very important debate on a topic that concerns me very much. Let me refer briefly to one of the editorials in a western paper today, the Winnipeg *Tribune*, which states:

> The best that can be said for the Ottawa scheme to curtail wheat growing is that it is better than nothing. The scheme may ease a desperate situation temporarily but it offers no permanent solution to the problems confronting Prairie grain farmers nor is it in any way a substitute for a federal long-term agricultural policy.

I think that sums it up fairly well. No doubt there are a few farmers who may capi-

talize on the situation to some extent and who are possibly not in the greatest of need. I come from the northern part of Saskatchewan, where the problem exists. Many of the farmers there have been cutting down their wheat acres for a number of years, and this year many of my constituents did not grow any wheat. Last year many of these farmers had no wheat acres at all, so this plan means simply nothing to them. Many of the farmers have been forced to sell coarse grain at sacrifice prices for the past few months in order to clothe and feed their families.

I was quite surprised to hear the hon. member for Laval (Mr. Roy), who spoke a while ago, speak in critical terms of western Canada. It surprised me because this is not the way he spoke in western Canada last spring when he was out there with the Committee on Agriculture. He saw the serious situation in which the farmers found themselves and certainly made a different type of speech there than he did tonight. Possibly he has one for western Canada and one for the east. I was quite surprised at this.

How can those who have small wheat acreage afford to summer fallow the land? Where, and how, are they going to buy forage seed, and what will it cost? There is a shortage already, and the cost will be terrific. The maximum they can get is $6 an acre for what they curtail, and the first payment will not come until July. This is the government that has committed blunders in our wheat sales, in grain movement and boxcar location. Now they say we must fold up because they have failed.

It seems strange that this policy should be put forth only a fortnight after we heard of people who are in dire need and of farmers who have been turned down by the minister. Farmers have offered wheat. They have abundant piles of wheat to be ground into flour. Surely we should be able to assist our neighbours who are in great need. This government has done away with the winter works program, with northern development, with our roads to resources program and with winter access roads. These people have no jobs. When we see the employment situation in Saskatchewan today, we realize fully why these people are in dire need. They have no way of meeting the high cost of living, the highest we have ever experienced.

If we the farmers have to face this kind of situation, surely we should be allowed to pass our abundance of grain along to some of our more unfortunate neighbours who are living in our midst. What would the pioneers of this great country think if they could see what was going on today? They pioneered this country and they were certainly able to grind their wheat into flour. They did not have to get it done by a cattle-mixer to receive the benefits.

• (12:30 a.m.)

Members of Parliament and members of the civil service were sent to Meadow Lake as a delegation to investigate something they knew little about, but I, the member for that constituency, was not asked to go along with the delegation. Mr. Speaker, I could have shown them something, and it would not necessarily have been concerned with Métis or Indian people. I could have shown them a lot of our other neighbours who are in dire need. I was not asked to go, because Mr. Speaker, I realize it was a just trip—just for Grits. I cannot help but think of what this trip cost and how that money could have been used to grist the wheat that the farmers were willing to give these people. I would like to see the figures of the cost of that trip compared with the cost of grinding the wheat. It is a shame to waste money like that when we have people in dire need and we have piles of good wheat lying on the ground. It is certainly not sensible.

There are some who say that these people were not starving. I know that is quite a serious description. I know that I have friends out there—even among Liberals—and I do not think they would let their neighbours starve; but, my God, how hungry are you going to let them get? When the committee went there some members took pictures of a house to depict the deplorable living conditions, but they never went into the house to see what was in the cupboard. One fellow phoned me to say, "Bert, maybe they claimed they did not find anybody starving, but they sure found out the conditions under which some of these people are living, and so the trip was not in vain after all."

I know the government has to do something about the situation into which it has got itself, but surely it could have made this program more flexible and workable. Now the government plans to pay $6 an acre next July for summer fallow, and if farmers want to seed their land down to forage they will get $4 an acre more. But where are the farmers

going to get the seed, and what is it going to cost them?

I think members of the government were hasty. I have never been able to give them credit for being hasty previously but certainly they have been hasty on this occasion, thinking that this program will be the solution to the problems of western Canada.

Mr. Les Benjamin (Regina-Lake Centre): Mr. Speaker, it really should not have been necessary to have this debate tonight, and I know all of us regret the fact that the *Hansard* reporters, the protective staff and others have to stay on extra hours. If I may, I would suggest it might be a good idea were Mr. Speaker to investigate the possibility of docking the pay of the members who are not here and using it as overtime payment for the staff. We might thereafter have a warmer reception for a debate at this hour of the night.

Mr. Woolliams: Don't get apologetic.

Mr. Benjamin: We don't apologize for moving this emergency debate. I was saying it should not have been necessary to hold it, because if the minister and the government really thought this program was so good, if they were really anxious to have farmers, Members of Parliament and the public at large understand it and co-operate, and were anxious to have the farmers participate in it, they would have arranged a day's debate on government time in order to give a full explanation of the program and to answer the myriad questions that are in the minds of farmers and are being phoned to us almost on the hour every hour.

They were not all that interested, Mr. Speaker, and as referred to earlier this evening, the interest shown by the Prime Minister (Mr. Trudeau)—in fact the discourtesy shown by him—this evening indicates the seriousness with which the government views this problem and how it feels it should be explained to the public.

Farmers have shown in the past that they can put up with almost everything. In the past year or two the conditions I have seen on the Prairies remind me of the agricultural depression in 1938. We had grasshoppers, we had Russian thistles—

Mr. Woolliams: And CCF!

Mr. Benjamin: —gophers and dust storms and Liberals, so the farmers over the years have learned to put up with almost anything. The saying started then, "Liberal times are hard times" and I have never heard it repeated so often as it was last year.

After two years of requests and pressure from every possible farm organization and every part of Canada, after the issues about agriculture—wheat, cream, milk, corn; you name it—being raised in this House countless times, the minister and the government finally came forward and recognized a farm cash shortage. That is putting it mildly, Mr. Speaker, but at least they finally admitted it, and their solution is acreage payments.

In my opinion and in the opinion of many people the program is entirely inadequate. It is a cheapskate way for the Liberals to try to get out from under this problem. This, in my opinion, is their first objective, to get the farmers to bail them out of the situation they are in with wheat and the inventories we have on hand. Secondly, it still makes the Canadian farmers compete against the treasuries of other nations. Among those who protest so much about the Canadian Wheat Board it is remarkable how many are Liberals and Tories, or are concerned in the agricultural business. These people and the boys in the Winnipeg grain exchange talk about the inadequacies of the Wheat Board and about salesmanship as if just anybody could sell wheat.

Mr. Speaker, the Wheat Board is not perfect and nobody has ever pretended that it is, least of all the members of the Wheat Board. But let us call it the way it is. The Wheat Board has not been, nor will it in the future under the Liberals be able to operate any better than the government's policy will allow. It has been continually handicapped by national government policies which prevent it—

Mr. Lang: How?

Mr. Benjamin: —from carrying on massive and successful sales efforts outside Canada. The minister asks how. The minister expects the Canadian Wheat Board to sell wheat in competition with the subsidized grains of other exporting nations, he expects the Prairie farmers to compete with those prices and expects the costs of that competition to come out of the pockets of our farmers. He wants to know how. Here is another quote from the report of Mr. S. C. Hudson, prepared for the Economic Council of Canada, stating some of the ways in which the Wheat Board is handcuffed. At page 290 Mr. Hudson states:

Wheat Acreage Reduction

A survey of the competitive position of Canadian wheat in selected markets suggests that the principal causes of Canada's declining market share are: a lack of consistent quality as measured by uniformity of protein content—

The minister tells us we are now going to get a new grading system, starting next year. I am glad he has awakened, though it is five, ten or 20 years after the farm spokesmen have been saying this. Point No. 2 is:

• (12:40 a.m.)

—insufficient flexibility in pricing to meet market competition.

We must have flexibility in this country in this regard. Whenever this concept of flexibility was departed from, it was to our cost. Lower prices have always been an advantage to farmers of other countries, especially when they have been subsidized by their national treasuries. Point No. 3 relates to inadequate market development effort. If you do not give the Canadian Wheat Board the finances and staff it needs, how can it possibly enter the field of market development? It will not do that job very well if you handcuff it with inadequate national policies. Point No. 4 relates to increased self-sufficiency in importing countries. Point No. 5 is:

—unfair competition resulting from the use of export subsidies—

That relates to a concept we have; we still expect Canadian farmers to compete against the treasuries of other nations. Point No. 6 is:

—the manner in which the government-assisted export programs are carried out by competing exporters.

Again I say, when many of our industries are aided and subsidized, why should Canadian farmers be expected to sell wheat and take declining prices, while farmers of other nations who are subsidized could not care less how low wheat prices fall on the export market, because they still obtain their price?

An hon. Member: Shame!

Mr. Benjamin: Unless the policies of the national government make sure that the Wheat Board has the backing of the entire nation, no one will be able to sell wheat, not even a fancy salesman like the hon. member for Bruce (Mr. Whicher). The Canadian Wheat Board must be authorized by the national government to extend credit terms with low interest rates to importing countries and make a host of other arrangements which will involve the backing of the national treasury.

[Mr. Benjamin.]

Mr. Lang: It does.

Mr. Benjamin: To expect farmers to operate under present conditions is absurd. It seems that the policies of this government and previous governments have been designed to eliminate farmers very quickly. The new policy is an extension of those policies. The government, its experts and those fancypants, ivory-tower editorial writers always talk about rationalization. That is double-talk. What they really mean is, "We need to take 100,000 farmers off the land." The government has consistently catered to corporate farms, to corporations that insert themselves into rural communities, and tried to eliminate efficient and independent family farms. That has been the government's policy and this program of acreage payments, despite claims Liberal spokesmen have made in the last few days and will continue making in the next couple of months, will not improve the cash position of farmers.

Anyone who suggests that the program will help the agricultural industry of western Canada is broadcasting a myth. I agree with the hon. member for Assiniboia (Mr. Douglas), the $6 and $10 payment per acre is insufficient. I have talked to farmers from different parts of Saskatchewan; I was out there last Friday, Saturday and Sunday talking with them. Those who live in the wetter lands have to summer fallow several times. This $6 will not cover the cost of summer fallowing. For those farmers who live in the wetter areas with a fair amount of rainfall, the $6 will hardly cover their costs. After the $6 per acre is exhausted, they will let weeds grow.

The minister's program will mean that a great many farmers will use herbicides on their land and pollution will result. We do not know what the effect will be on the soil, on water tables, and on food that is grown when that land is brought back into production. A number of farmers from the Melfort-Tisdale area have said that it costs about $4 per acre to make land ready for grass seed. Clearly, therefore, the program does not go far enough. It is not an incentive.

A farmer who farms a few miles north of the United States border in the constituency of the hon. member for Assiniboia phoned me this afternoon saying that he has 600 acres in crop and 600 acres in summer fallow. He has consistently operated his farm that way. Considering the average rainfall and light land in that part of the country—the hon. member

for Assiniboia probably knows it better than I do—I think it is fair to say that if the minister's program is adopted on that kind of land, the gophers will be digging 20 feet in the air every time there is a dust storm. This program will not help the farmers to survive. The $6 will not cover summer fallowing costs. That is not an incentive. If the minister is really anxious to get acreage taken out of wheat production he will make it worth their while. There are no other alternative crops. The minister said, "Do not grow anything else."

This whole program is a cheapskate attempt to get the government off the hook with wheat inventories. It lets the farmers foot the bill. This program will mitigate against good farming practice and land conservation. The payments per acre must be raised to a point at which it is a real incentive. If the minister were to follow the suggestion of the hon. member for Assiniboia he would be surprised how much more support he would receive. In fact, we would be glad to advertise the program and persuade the people to co-operate and participate in it, if he would make it a real incentive. I suspect that is a very fond hope and nothing will come of it.

From now on the Liberals will perpetuate this claim of a $100 million program for western Canada. Even the minister admits that is only an estimate. That is a nice phrase for it; actually, it is only a figure off the top of his head. There is no way of knowing how much acreage will be taken out of wheat production. I will be surprised if the cost exceeds $50 million or $60 million.

From now until July Liberal spokesmen will be talking about the $100 million program for western Canada. When the smoke is cleared and the government finds the figure is nowhere close to $100 million, we will not hear any more about this program. The figure is phony because no one, including the minister, knows what the final figure will be. The suggestion of this amount being injected into western agriculture is the worst kind of attempt to delude and mislead the farmers of western Canada and the rest of the country.

There seems to be something basically immoral about paying people not to do something, such as paying good, practising agriculturists not to grow food. The day will come in two or three years when we will have no wheat. We will have to go through the same bit again. I support to some degree one area of the program proposed by the minister. In fact, it is long overdue; it is something the people in my party were advocating long before I entered politics.

While the program does not go far enough, has not been carefully thought out and does not take into account the wide variety of problems farmers will face, it is at least a half-hearted entry into production planning, production control and market projection, although the market projections the minister gave us were nil for anything the farmers would plant instead of wheat. At least it is a start.

The government suggests this is only a one-year program. I hope from now on planning and research into agricultural commodities and markets will be done well in advance so that when announcements are made farmers can make an intelligent decision. It is easy for members of this House and agricultural experts to talk about diversifying. Diversifying to what? How much? What price? We may well be getting into the same situation we were faced with in the fifties when we were up to our eyeballs in wheat. Farmers were urged to diversify. Four years later we were up to our eyeballs in pork and beef. Then the pitch was to specialize, then to diversify, and then back to specialization. Now we are being told to diversify.

• (12:50 a.m.)

I hope this old-line government has learnt the lesson that this half-hearted and belated excursion into production planning and control has to be improved. A decision to back the industry with guaranteed prices and resources of the national treasury, of the nation as a whole, would arm the Wheat Board with the facilities which would enable it to compete in world markets. We could take on Australia, Argentina, France—we could take them all on at once if necessary. But I do not think that would be necessary, once they knew that our wheat growers had behind them the power and resources of our federal government. Hon. members would be surprised, I am sure, how quickly those nations would fall into line with regard to stable prices and no more price cutting.

I hope the minister will accept some of the suggestions made by his friends in this House, for example, those made by the hon. member for Assiniboia, even if he does not accept the advice which has been offered him from this side of the House. I think he should give much more by way of explanation to the

farmers of what this plan means to them, advising them of the circumstances under which they should go into summer fallow, reduce acreage or produce other crops.

Mr. Eldon M. Woolliams (Calgary North): I intend to be very brief, Mr. Speaker. First of all, I should like to say that as far as the Wheat Board is concerned the Minister without Portfolio (Mr. Lang) has been charged with a very difficult task. No one in this House would have liked to take the position he has taken. He has inherited a most difficult problem. I think we have all been a little dishonest as far as wheat sales are concerned. The unions, the farm groups have supported the Wheat Board as far as sales are concerned; they believe we have to keep the price up; they have motivated this philosophy. That is what makes it very difficult.

We have a surplus of wheat in Canada. There is what the newspapers call a world surplus. But it is only a world surplus as far as the buyers' market is concerned. As other hon. members have said, two-thirds of the world's population goes to bed hungry. The surplus is only in the buyers' field. Today questions were asked on Orders of the Day and they penetrated to the heart of the wheat problem. I say to the minister: My sympathy is with you, sir.

We are breaking the international wheat agreement. Every country is doing so. Forty-four importing and exporting nations are breaking the agreement. The government is faced with this problem. It is faced with the attitude of the unions of western Canada; it is faced with the attitude of the wheat pools of western Canada. They must put their ears to the ground. They must not get into competitive marketing, selling on the open market.

There is one thing of which I am proud. It was our party which set up the Canadian Wheat Board in 1935. Then, when the world war was declared we were told we had to have a ceiling on the price of wheat. This was when wheat was controlled, as to price, entirely by the Wheat Board—not to keep the price up but to keep it down.

Mr. Burton: Right.

Mr. Woolliams: I hear a member to my left say "Right", and I will have something to say about that party in a few minutes. I will defend any government—and the minister will be happy to hear I defend him—that has tried to handle this problem. I wish the minister success. However, I tell him he must break free from the bureaucracy that exists in the Department of Trade and Commerce and in the Wheat Board, because this is a tough problem to tackle.

It was admitted in this House that we broke the international wheat agreement because a state of open trade existed. That is what the right hon. member for Prince Albert (Mr. Diefenbaker) said. Having made that admission, one crime begets another and the gate was opened wide. Basically, I do not support the program presented by the minister, and for this reason. First of all, if the farms in western Canada turn to summer fallow, you will create a dust bowl. Second, where will you get the grass seed to grow forage crops? I asked that question today.

The only way Canada can get out of the mess it is in is to sell wheat. From being the No. 1 exporting nation of the world, in the last three years we have moved to fourth or fifth place.

An hon. Member: Hear, hear!

Mr. Woolliams: Someone to the left says, "Hear, hear." Let me say something about my hon. friends. The NDP cannot have it both ways. They have been sitting in this House of Commons and have been economic hypocrites. The hon. member for York South (Mr. Lewis) talked about the longshoremen, and today they are paid the highest salary of any longshoremen anywhere in the world. As a result, the price of wheat and cost of production have been affected.

Mr. Nystrom: How much do lawyers get?

Mr. Woolliams: Now my hon. friend is getting nasty, but I do not mind. I am not talking about the professions, what Members of Parliament get or what the hon. member for Winnipeg North Centre (Mr. Knowles) said this afternoon. I am talking to the back row farmers of western Canada. It is the backbenchers who are rocking the boat. Those in the front rows are supporting the unions. That party cannot have it both ways.

An increase in the cost of production on the farms means an increase in the price of wheat in international markets throughout the world. As far as I am concerned, to put it bluntly, when you increase labour costs you increase wheat prices on the world market. You cannot have this both ways. If you increase the wages of longshoremen and wages all the way down the line, you increase the cost of delivering grain throughout the world. This is the area in which I come to the defence of the government. You cannot have

it both ways. These people on my left like to love the labourers and the farmers at the same time. They cannot do both. There must be a little flexibility, and that is why their job becomes tough.

• (1:00 a.m.)

An hon. Member: The minister is going to put them all in one flask.

Mr. Woolliams: I won't go into that now, but I could.

Economic hypocrisy does not work. The members from Saskatchewan who represent the farm belt know as well as I that when you increase wages and the cost of production, you increase the price of the product and in turn increase the export price. Let us get down to brass tacks. The Wheat Board is supported by the old CCF, the NDP, the Conservatives and the Liberals. Nobody in this House of Commons, including my party and the Liberals, has the nerve to criticize this bureaucracy. Four million bushels of barley could have been sold to Montana at a certain price, but because the Wheat Board said we had to keep the price at a certain level the sale was not effected.

There is more bootlegging going on now in western Canada in respect of barley, wheat and oats than there ever was in prohibition days. I could put my political reputation on the table by saying that I know many members of my party and of the Liberal party who shiver and shake when they think of attacking the Wheat Board. The Conservative Party brought in the Wheat Board on the basis that we should sell wheat on the open market. Now is the time when someone must stand up and criticize. because I have sat through this debate tonight and listened to more hypocrisy than ever before.

Many members feel they are threatened politically when they criticize the Wheat Board. They feel: Oh God, you cannot do that politically. Let me say it: we know that the Wheat Board has not performed its task and we know that the Wheat Board advises the ministers. We are in trouble in respect of the international wheat agreement. We heard today during answers to questions on Orders of the Day that everybody is breaking the international wheat agreement. That is why this is an important matter. What is the policy of the government? The government says it will inject $100 million into the western Canadian economy. Those in eastern Canada, Ontario and Quebec, think this is a tremendous program which will provide $100 million through the creation of summer fallow and forage crops.

When I questioned the government today they admitted that there is no grass seed on the market because last year there was frost and one thing and another. The price is going to become so high that only the speculators will get it. What kind of program is that? When is the minister who comes from the best university in Canada, who was the dean of the law school of the University of Saskatoon, going to measure up to his responsibilities and say, "I realize the government and the Wheat Board have failed. We are not going to pay you for not growing wheat when two-thirds of the world are going to bed hungry".

The members to my left criticize the program. The leader of the New Democratic Party (Mr. Douglas) called it an insane policy, but he offered no alternative. When is the minister going to come up with an idea to sell our wheat to the world and feed the starving and the hungry? What is going to happen next year following the summer fallow, if the land is not blown away, when the farmers start to plant something? My suggestion to the minister is to use the $100 million—call it a subsidy or whatever you want—to sell the wheat to the world, which is ready to buy it. We do not compete. I give the leader of the NPD credit for saying that we were the first wheat exporting country in the world two years ago but today we are the fourth or the fifth. In what place will we be after this program?

Would it not be better to sell the wheat or to give a subsidy to the Prairie farmers? It seems to me that this is the worst type of program: first, because there is no grass seed to plant it is all in the speculators' market; second, if you summer fallow as the minister suggests and he is a Saskatchewan-born man, the Prairies will be turned into a dust bowl; third, this is an inflationary program; and fourth, it would be better to put in the $100 million and get rid of the wheat. As the president of the Bank of Montreal said, for every $1 we get out of wheat or any other product in Canada, $3.50 is returned in gross national product.

Let us get back to my friends on my left who, as the minister knows, have a good representation from western Canada. I am referring to the New Democratic Party. I call them economic hypocrites. These people basically support the Wheat Board. They do not want anything changed in it. At the same time, they criticize the government.

• (1:10 a.m.)

They never had it so good, Mr. Speaker. The Saskatchewan, Alberta and Manitoba Wheat Pools got so much a bushel on storage in the country elevators, at the Lakehead, in Vancouver and all the other places, and they never showed a better profit. Why would they oppose the system? It doesn't matter whether they sell wheat. They never had profits so good. No Member of Parliament, nor the minister, if he was honest—and if I was in his position, I would remain silent—would dare in western Canada to attack this situation. It is the family compact, the establishment—Grit establishment. Now a minister has to face this problem. Oh, yes; you attack these people and say they set up the program, but the program should be: Let us do something positive. We should not be telling the farmers in western Canada this, when professors and doctors on the CTV on Sunday night said in 1975 we could face a famine in the world—and Canada has these great resources!

Could I sit in my place and be silent in this situation? How could I? The minister says he has proved it by statistics. We all want to win in our constituencies. I am not interested in that, but I am interested in western Canada, in Canada as a whole, and in the world. We sit around. We are told there will be a famine. But this government, and maybe another party if it were in—we are not the government—would have done it. Maybe this party would have done it. It is time somebody stood up and said something about the grains trade. When two-thirds of the world go to bed hungry, it is time Canada with our resources should not be so selfish as to say we will not grow wheat because we cannot get a certain price, with all our co-ops and wheat pools and all the infiltration government people have—and I know how much they have. They say, "Oh, we cannot stand that kind of politics." That is why the minister has a difficult problem. It is time we grew wheat on every acre of land and sold it to the world.

I will defend the government; I will defend this party—but I will not defend anybody who suggests that we cut down acreage and the growth of wheat. We can sell wheat and we can compete with the world, and we must compete with the world—

Mr. Speaker: Order, please. I am sorry to interrupt the hon. member but his time has expired.

[Mr. Woolliams.]

Mr. Arnold Peters (Timiskaming): Mr. Speaker, as an easterner I have been very interested in listening to the discussion tonight. I agree with much of it. Some of the comments, of course, have been more important than others but I think everyone is very concerned, and rightly so, with the problem that has developed in western Canada. I have been thinking of how you would apply this in eastern Canada. It reminds me of one of my colleagues who said the other day that they were having a great deal of difficulty in one of the automobile industries. I was just thinking that if the minister responsible for the Wheat Board were responsible for our Department of Industry, he would say to the people in Oshawa, "It is difficult to sell cars now. Nearly everybody in the country has a car. Some even have two cars. So we will close down General Motors. It really won't hurt you people. You have been working quite a while; you have paid your unemployment insurance. So sit on your fat fanny and draw unemployment insurance. We won't make any cars this year. Maybe next year." That may be an insurance principle, Mr. Speaker, but I think that some of the workers in western Canada, just like those of General Motors, would decide that maybe they wanted to work.

Maybe they would want to make cars. That is their job, their livelihood, and perhaps they would want to get on with it. I am sure there are many people in western Canada concerned in this way.

Mr. Speaker, another thing that has struck me as interesting is that I see behind this scheme of the minister's, not his own intelligence, because his intelligence is in a different field, but the hand of the man who was behind the national dairy policy. If you will remember, nothing in the national dairy policy was very important. There was to be a subsidy paid to everybody producing milk, and this affected the little farm producing farm separated cream as well as the industrial milker producing skim milk powder and other by-products. The surplus milk that came from the fluid milk industry was subsidized as well.

It was not very long before there was a curtailment of the surplus from fluid milk and it was taken out of the subsidy program. Interesting things began to happen. They decided to set a quota based on the last year's milk production.

If you had not met certain limits last year, you could not apply this year; but if you met

the quota last year, you would get a quota this year and be a quota-holder. The crux of the matter came in the third year when it was decided that you had to meet a certain production level or you did not qualify, and you did not qualify for anything on the top end either. The limits were set and you had a dairy policy, a nice scheme which produced a certain amount of money in the middle. As the hon. member for Bruce (Mr. Whicher) pointed out, we are going to curtail that now.

I think there is a similarity in the wheat situation. I think you will find that the $100 million does not matter a damn. The real thing is going to be, if you do not have summer fallow this year and put some land into forage, when we reallocate the quota system and you start producing wheat again it will no longer be on the present basis, so much for seeded acreage and so much for pasture. You can build up in a number of ways to establish a quota. Those quotas will be gone and the new quotas will be established on a totally new basis which will not take into consideration many of the people who do not play ball with the government. So the money must be incidental, Mr. Speaker. Anyone who has a farm knows that the money really is not sufficient to meet the cost of summer fallow. It will be a unique situation wherein $6 an acre will supply a years' summer fallow plus cover crop. I do not know what you are going to do with the cover crop; you cannot plant wheat until you get rid of that again.

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

Mr. Peters: Certainly.

Mr. Woolliams: I should like to ask the hon. member one simple question. Does he believe they should cut down the acreage, and does he support the regulations of the Wheat Board to keep the price up, particularly in light of the fact that Canada is not adhering to the international wheat agreement?

Mr. Peters: I think this raises the key to the whole problem. I believe the farmers themselves should make a decision before a quota system is applied to them.

Mr. Woolliams: How can they?

Mr. Peters: The hon. member says, "How can they?" In the province of Ontario where we had a very serious problem in the tobacco industry, the industry had a plebiscite and decided that a certain amount of land would be taken out of production to maintain the price structure. This was agreed by almost everyone in the industry and they have since been able to regulate. Sometimes they increase the quota to more than the year before, but they have been able to maintain a balance between production and the market. The hon. member asked whether the Wheat Board should set its price. I believe the Wheat Board has to set the price, but I think it has to take into consideration a number of factors.

Mr. Woolliams: What are they?

Mr. Peters: Canada is one of the few countries that does not have a government selling agency, and I think it is about time the country made a decision about this. I am not one of those who wholly supports the Wheat Board. I am not in total agreement with the Wheat Board because it is not a sales agency and I believe it should be.

• (1:20 a.m.)

A few minutes ago the hon. member from Calgary North (Mr. Woolliams) was very concerned about the longshoremen. The longshoremen do not make one-thousandth of one per cent of the wheat they handle, but that is not true of the independent brokers who handle wheat that comes in and goes out and make the same money no matter whether they handle wheat from the United States or Canada. As well, they handle cheese and all other foods on a percentage basis; they do not care what they handle. They are not really interested in selling wheat. I think the hon. member for Calgary North will agree that you must have an aggressive sales program.

In my opinion the government, through the Canadian Wheat Board, should be the selling agent. We should be out selling. If, as the hon. member for Bruce suggested, I wanted to sell cattle to Cuba, I should have the support of the government. It would work out long-term arrangements under which export credits would be made available and the cattle would be sold. Surely the government could do something similar with wheat.

In my opinion the Liberal government has been pretty stupid; certainly it has done some pretty stupid things in sales. I remember a minister of a former government saying to his trade commissioners, "Get out and sell, or get out." They sold and worked out a deal with Czechoslovakia to make wheat available on a credit basis. We also worked out arrangements with other countries and they bought wheat on a credit basis.

Perhaps we shall have to cut prices, but that is the responsibility of the government and not the farmer. I submit it is the responsibility of the government. It is damned near time we got rid of McNamara who has devoted more energy, time and money to maintaining his own position than to selling wheat. Under the present commission system, agents sell to the highest bidder; furthermore, they sell whatever commodity will fetch the most money. The brokers who handle wheat are not doing a very good job for the Canadian people, and the government has over-all responsibility in this field.

Surely the minister knows what we all know, that much of western Canada will produce only wheat. Now the government is talking of putting that land in forage. Does the minister know what happens when you put land in forage? You produce hay, which must be used for feed. You cannot sell hay to China; Russia will not buy hay—you must use it for feed. If you were to put two million acres in my part of the country under hay production, pretty soon the market in Toronto would be handling 2,000 head of cattle every day from our area, and what do you think would happen to the price of beef? Dogs would be eating T-bone steaks which would sell for two cents a pound. This could happen in western Canada. That is what would happen if we acted without thinking.

The minister said the government is looking at long-term solutions. What is he talking about? The $100 million it will make available is nothing. The minister knows what that $100 million will be used for in the west. The farmers will use the money to buy gas, oil and repairs for their machinery. The money will not keep equipment dealers in business; it will not keep grocers in business. We hear talk about selling the wheat in storage. Mr. Speaker, if the farmer is to pay back all the money he has had advanced to him, he will need to sell wheat under a 10-bushel quota. Is it likely that the farmers will see a 10-bushel quota in the next year?

An hon. Member: Or the year after?

Mr. Peters: Even with that quota, and, assuming the farmer receives $1.20, Mr. Speaker, 60 cents per bushel would go toward repayment and the other 60 cents for his living expenses. It is better that the farmer should go to Florida for a holiday. At least he might get a job in a gas station down there and save everyone lots of trouble. He should not go to Toronto, where they have lots of unemployment. I am saying that the government has not really looked at the problem.

The farmers in western Canada do not have the equipment to break grassland. They have not put in grassland for a long time. Only a cattle farmer would be interested in permanent pasture and grassland. I was amused by what the hon. member for Calgary North said about grass seed. My brother had a bumper crop of sweet clover last year which he was not able to sell. Maybe he will be able to sell it under this program. Maybe it will not be a loss to the farmers in eastern Canada where a lot of seed is produced.

I am interested in doing something for the people of western Canada. I am not interested in getting rid of any more farmers. Because I was curious, I asked how many people would be able to take 1,000 acres out of production and still have land for wheat. I found it applies to only a handful of people. There are very few people in western Canada with 2,000 acres of wheat. Mr. Hazen Argue suggested that my old room-mate, Merv Johnston of Kindersley, may be in that category; but we are not talking about anyone at that level.

We are not talking about $100 million, nor are we talking about $6 or $10 an acre; we are talking about a totally new quota system for producing wheat in western Canada. I am told that the clergymen in every church in Regina yesterday preached against the proposal put forward by the minister. They did so on purely moral grounds. It is a shame.

I agree with those hon. members who said we should be producing our maximum. This can be done easily and with little labour in Canada. These agricultural products could be used to feed those less fortunate in the world. We are not spending any money trying to develop a method through the United Nations of getting rid of our surpluses. It is necessary for this country to establish a granary system in order to meet our needs and the needs of those less fortunate. There must be a way of doing this. I do not suggest this should be up to the farmer. If the farmer wished, he could give away all the wheat he had and then his granary would be empty and this $100 million exercise would not be necessary. The less fortunate people in the world may have developed a liking for bread, bannock, scones or whatever they eat in different parts of the world. We have a moral responsibility to these people.

We do not now have, nor will we have in the foreseeable future a large enough number of people to consume all our agricultural products. It is one of our prime responsibilities to immediately develop agencies which will sell some of the produce we have and at the same time dispose of our surplus to those less fortunate. This should be done in a manner that will provide a return to the farmer and maintain the usefulness of our land.

If the minister really believes he can reorganize agriculture in western Canada and can decide the quotas, he should say so. If anyone is interested, they should read the answer given to me this afternoon by the Minister of Agriculture (Mr. Olson). He indicated the quotas will really be decided in 1971-72 and that the quota system in western Canada will be considerably different from that of today.

• (1:30 a.m.)

I say to the minister: If you really want to reorganize this business, call a plebiscite, call in the farmers, hold meetings and ask permission. Some of them might be happy to get out of agriculture. There are areas in which rapeseed can be grown. But let us not have everyone producing rapeseed this year or we shall be overwhelmed with rapeseed. Give farmers an opportunity to get out of agriculture if they wish, but let us not use the whip. We did this as far as dairying was concerned and now we are witnessing grave repercussions. We eliminated the small family unit in eastern Canada; we increased production there, particularly in Quebec, and we now find that the farmers in eastern Quebec are in dire straights. Their units of production are economic; they have increased the size of their holdings. Nevertheless, they find themselves in much more trouble than was the small farmer with three or four cows. The small farmer knew he would never become rich, but he could manage. These other people will lose their farms in many cases because they are head over heels in debt.

As far as western farmers are concerned, the $100 million will not go to them at all. It will not go into the rural economy; it will not go into the western economy. Any money which flows into the western economy will come from the proceeds of wheat which is delivered to the elevators from the farms. Someone will wake up two years from now and find that even if there were sales to be made, there would be nothing to sell. The minister would be unfair if he did not hold some kind of seminary with the farmers of the west and tell them what his proposal is—how he sees the situation five years from now. They would then know what the whip is and what the carrot is and would be able to reach a decision with full knowledge of the facts, something they do not have today.

Mr. Woolliams: Would the hon. member answer a question?

Mr. Speaker: Order. I have to bring to the attention of the House that the time allotted to the hon. member has expired. I am satisfied, pursuant to section 13 of Standing Order 26, that the debate has been concluded, and I therefore declare the motion carried. The House stands adjourned until two o'clock later this day.

At 1.35 a.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Tuesday, March 3, 1970

The House met at 2 p.m.

[*Translation*]

ROUTINE PROCEEDINGS

TRADE

SIGNING OF PROTOCOL EXTENDING AGREEMENT WITH U.S.S.R.

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, I wish to inform the House that I have on behalf of the government of Canada signed a protocol, extending for a further three years until April 17, 1972, the trade agreement between Canada and the Union of Soviet Socialist Republics. Mr. M. R. Kuzmin, First Deputy Minister of the Soviet Ministry of Foreign Trade, signed on behalf of the USSR.

This represents the fourth extension of a trade agreement originally negotiated in 1956 which has provided a framework for the development of trade between the two countries on a most favoured nation basis. The renewal of this important agreement is further evidence of the desire of both Canada and the USSR to maintain and strengthen the commercial relations which have been built up between the two countries.

In 1956 when the trade agreement was first negotiated the levels of our mutual trade were very low. In the 14 years which have followed, Canadian exports have amounted to $1.3 billion. In the same period the Soviet Union has been a major customer for Canadian wheat, purchasing in total more than 760 million bushels.

The Soviet Union has also been taking a range of other Canadian materials and manufactured goods amounting to $5.5 million in 1968. Soviet exports to Canada have increased from $1 million in 1956 to $21.6 million in 1968, the last complete year for which official statistics are available.

[*English*]

Mr. Speaker, in the negotiations, which preceded the signing of the protocol, the Canadian and Soviet delegations reviewed the history of our trade in Canadian wheat. This trade has been mutually advantageous both in terms of Canadian capability to supply and recurring import needs in the Soviet Union. As regards the future, the leader of the Soviet delegation has provided the assurance that when the U.S.S.R. has requirements for the purchase of wheat, the Soviet buying agency shall, in the first instance, apply to the Canadian Wheat Board.

This ensures that the Soviet Union will turn to Canada as a preferred source of supply of wheat when demand arises. We therefore anticipate that the U.S.S.R. in the years ahead will continue to be a significant market for the sale of wheat. As hon. members are aware, the Canadian Wheat Board concluded a contract with Exportkhleb last December extending the 1966 master contract, which will provide for continuing substantial shipments throughout 1970.

• (2:10 p.m.)

In addition to these important discussions on wheat, the two delegations reviewed other elements of the trade between the two countries and agreed on the need to expand and diversify trade in both directions. As a result of the discussions the two sides look to growing opportunities to sell an increasing range of products, materials and manufactured goods in each other's markets. The protocol which I have signed indicates that the two governments will facilitate the exchange of goods between them within the scope of the laws and regulations in force in their respective countries.

I am confident that this extension of the agreement will provide the framework for an increasingly valuable trading relationship between Canada and the U.S.S.R. which will be of benefit to all segments of the Canadian economy and to the generality of our relations with the U.S.S.R.

Pursuant to Standing Order 41(2), I wish to lay on the table copies of the protocol, in both official languages.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, it is pleasing that the trade agreement between Canada and the United States which goes back, basically, to 1956—

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): The agreement is between Canada and the U.S.S.R.

Mr. Stanfield: Mr. Speaker, it is the Secretary of State for External Affairs who confuses me. Sometimes he says that our relations with the United States and the U.S.S.R. show little difference. It is pleasing for us to hear that the trade agreement with the U.S.S.R. has been renewed. It is also pleasing for us to notice that trade between the two countries has been growing. We all hope this will continue to be the case.

The minister referred specifically to the sale of wheat and the assurance of the government of the U.S.S.R. that Canada will be a preferred seller in the sense that Canada will be the first country to which Russia will turn. I hope, however, that those charged in Canada wi h responsibility for selling our wheat will not be content to sit back and wait for the authorities of the U.S.S.R. to come to Canada and order wheat. Instead, I hope that we in Canada will be on our toes and will be aggressive in selling wheat in that country and aggressive in ensuring to the best of our ability that the U.S.S.R. market for wheat continues to be very receptive.

I wish to raise one further point today. The minister stated that both countries have undertaken to facilitate trade with each other. This raises the question, perhaps indirectly, of whether Canadian subsidiaries of companies that are controlled from outside Canada will now be free to do business with the U.S.S.R. or whether there is to be an effort in some cases to exercise extraterritorial jurisdiction and control over the directions in which Canadian subsidiaries can trade. The undertaking that trade between Canada and the U.S.S.R. is to be facilitated raises the question of whether efforts to regulate the behaviour of Canadian subsidiaries are to continue.

This is a problem we share with a number of other western countries in which there are active subsidiaries of international corporations. We are reminded again how important it is to overcome this difficulty which will probably be overcome in association with those other western countries that face the same problem.

I am pleased that the agreement is being renewed, that trade is expanding and that we are being given some assurances with regard to wheat. Nevertheless I hope that we will not be complacent with regard to either wheat or trade generally and that we will do all we can to ensure that trade between the two countries is facilitated, including the ability and freedom of all companies operating in Canada to engage in trade under this agreement.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I desire to congratulate the Minister of Industry, Trade and Commerce on having signed the protocol extending the trade agreement between Canada and the government of the U.S.S.R. for another three years. As the minister pointed out, this agreement has been of benefit to Canada, particularly with reference to the sale of wheat in that it has enabled us in the past 14 years to sell some 760 million bushels of wheat to the Soviet Union. I am sure the House is pleased that the Soviet delegation have agreed that Canada should have the first opportunity to meet any of the wheat requirements which the Soviet Union may have during the three-year period covered by this extension.

It seems to me that we need to approach the expansion of trade with the Soviet Union much more aggressively. There is no doubt in my mind that the economics of selling wheat to the Soviet Union, particularly for its needs in Siberia, are very real. I believe that Soviet Union economists recognize it is much cheaper to buy Canadian wheat shipped through the port of Vancouver for their needs in Siberia than to move wheat all the way across the Soviet Union which they could sell in their eastern European markets.

I understand that the main obstacle has been the imbalance of trade between the two countries. Our purchases of goods from the Soviet Union have been relatively smaller than their purchases from Canada. I hope the minister and his department are exploring every possible avenue to determine how we can balance trade in the hope that the Soviet Union, and other countries with whom we are trading, will be able to buy more Canadian products.

There are two fields that need to be explored. One is farm machinery. The recent report of the Barber Commission indicates that some competition is certainly needed in farm machinery. There will have to be some testing to determine whether Soviet farm machinery is adaptable to our needs and whether the necessary servicing can be provided. I hope the department will look into this.

The other is the supplying of power generating equipment, which the Soviet Union has done fairly effectively. We are quite a large

purchaser in this field. We are anxious to help the Soviet Union or any other country sell sufficient goods in Canada so that they can become greater purchasers of Canadian products. The Soviet Union appears to be a country with which we can increase our exports considerably provided they can obtain the necessary Canadian dollars to purchase Canadian goods. I hope the minister is going to expand his efforts even further in trying to increase the trade between our two countries.

• (2:20 p.m.)

[*Translation*]

Mr. Romuald Rodrigue (Beauce): Mr. Speaker, I would like to thank sincerely the Minister of Industry, Trade and Commerce (Mr. Pepin), who has been kind enough to send us a copy of his statement in both official languages.

Like those who preceded me, I am very happy to see that Canada has come to a rather important agreement with Russia.

I am also delighted at the quite considerable trade we have had with Russia since 1956, further to the agreements signed in 1956.

The minister mentioned that wheat accounted for an important part of our trade with Russia this last decade, and that we also exported machinery, including equipment used in asbestos mining. In my opinion, this was made possible through the 1956 agreements.

In company with my colleagues, I am pleased with the renewal of these agreements, taking into account the financial gains Canada derives from them, and I hope that our commercial links with Russia will help alleviate world tension and dissipate the cold war. I believe that these agreements serve both Canada and Russia.

[*English*]

ORAL QUESTION PERIOD

POLLUTION

SECOND VOYAGE OF "MANHATTAN"—PREVENTION OF DAMAGE TO NORTHERN ENVIRONMENT

Hon. Robert L. Stanfield (Leader of the Opposition): I should like to direct a question to the Minister of Transport in relation to the proposed voyage of the *Manhattan,* to which the Secretary of State for External Affairs indicated yesterday, I believe, that Canada has acquiesced. I assume the Minister of Transport has not yet drafted regulations governing this or similar voyages, but is the minister in a position to assure the House that in the event a disaster should occur his department and his officials or, indeed, any technology which may be available, would be able to prevent the resulting pollution from doing irreparable damage in that area of the north? Is the minister satisfied that the technology today is such that he can give such an assurance?

Hon. Donald C. Jamieson (Minister of Transport): That is a rather involved question, Mr. Speaker, and some of it, I suggest, is hypothetical. I will try to answer as briefly as I can. As far as we are concerned, the icebreaker assistance and escort for the *Manhattan* will not be provided unless there is agreement to comply with regulations which will be conveyed to the Humble Oil Company. In addition, I am sure it will be possible for us to carry out an inspection of the craft to make sure these regulations are, in fact, met.

So far as pollution is concerned, I am informed that the Humble Oil Company is a participant in the international voluntary fund and that this fund would therefore apply in terms of cost in the event of a possible clean-up.

On the final question, whether or not satisfactory technology exists, I think it has to be said that it does not exist in total form, as we have discovered. The main effort must be to make sure these spills do not occur. With the skilled people we have in our coastguard service and the experience they gained during the last trip of the *Manhattan* there is at least a reasonable expectation, one which I think is warranted, that they will be able to carry out this voyage successfully.

May I say finally that the voyage is not one through the Northwest Passage; it is confined to the eastern part of the passage and will not be as extensive as the original voyage.

Mr. Stanfield: May I point out, Mr. Speaker, that the first question was not hypothetical because the ability to deal with pollution is surely relevant to the policy decision. I should like to ask the minister whether he knows how much oil the *Manhattan* will be carrying and does he know how much oil the vessel was carrying the last time she was in these waters?

Mr. Jamieson: I do not have the precise gallonage. It is a considerable quantity, probably in the neighbourhood of three million

gallons plus, but I am not certain of the exact figure. It is not only for her own purposes but for the refuelling of the icebreaker during the trip. One of the regulations, however, that we will insist on is that the oil be carried in the most protected bunkers of the ship and as far removed as possible from potential damage.

Mr. Stanfield: A further supplementary question. I wonder whether the minister would agree, as a result of his experience in connection with the recent tragedy off Nova Scotia, that he will be completely unable to cope with any pollution in the north if in fact it does take place.

Mr. Speaker: Order, please.

Mr. James A. McGrath (St. John's East): Mr. Speaker, I have a supplementary question for the Minister of Transport. Has the minister presented Humble Oil Company with the conditions to which he just referred in his answer, and which he more specifically referred to in an answer of his reported on page 4021 of *Hansard*, to the effect that the qualifications that would apply would in fact be the same as if the legislation had been implemented?

Mr. Jamieson: Mr. Speaker, the detailed regulations have not as of this moment been submitted to the Humble Oil Company because they are presently being drafted. The general basis of the agreement has been conveyed to the Humble Oil Company. The general regulations should be completed by the end of this week, and will then be submitted to them.

[*Later:*]

Mr. R. Gordon L. Fairweather (Fundy-Royal): Mr. Speaker, I should like to ask the Minister of Transport whether he would agree that reassurance would be given if he were to arrange to table the documentation, the regulations and other details of his correspondence with the Humble Oil Company relative to this trip?

Mr. Jamieson: Mr. Speaker, I can think of no objection to that proposal and I will be glad to consider it and make the regulations and other relevant documents known, if that is within my purview.

[*Later:*]

Mr. McGrath: Mr. Speaker, my question is supplementary to the questions concerning the subject of oil pollution and the voyage of the *Manhattan*. It is directed to the Government House Leader. Is the Government House Leader now prepared to set up a committee of the House to deal with the subject of pollution as called for in the motion put forward by the hon. member for Esquimalt-Saanich which was unanimously accepted by the House?

Hon. Donald S. Macdonald (President of the Privy Council): Mr. Speaker, if the hon. member would inform himself he would find out that the House has already set up the committee. I do not believe we have had the nominations from the other parties in this regard.

SOUTH COAST OF NEWFOUNDLAND—CHEDABUCTO BAY—REPORT ON PRESENT SITUATION

Mr. James A. McGrath (St. John's East): Mr. Speaker, I have a supplementary or perhaps a related question. Has the minister had a preliminary report from his task force which is presently investigating the pollution off Nova Scotia and also the pollution that resulted from the oil slick off the south coast of Newfoundland?

Hon. Donald C. Jamieson (Minister of Transport): Yes, Mr. Speaker, I have had a preliminary report. The operation is going as well as can be expected in the very difficult weather conditions. I think the result of the task force's efforts has been to conduct a number of meetings with the fishermen and others, and also with various engineering people, and they appear to be making what I would be prepared to call reasonable progress.

[*Later:*]

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, my supplementary question is directed to my friend the Minister of Transport. I wonder whether the minister can say if in co-operation with the Minister of Fisheries any initiatives are being taken to minimize the effect of oil pollution on bird life on the east coast of Canada? If not, would he give consideration to this subject and try to minimize the effect and rehabilitate the birds already affected?

Mr. Jamieson: Mr. Speaker, the projects group under Dr. McTaggart-Cowan has this as one of its projects. They have seconded to them officials of the wildlife division of the Department of Fisheries. They are doing their

very best to minimize these effects presently and also in the future. It appears that in respect of the birds which have been affected now there is not too much that can be done for them.

Mr. Lundrigan: Would the minister consider investigating the moves taken on the west coast of the United States where a similar situation existed and where teams were put into the field which did rehabilitate some birds?

Mr. Speaker: Order. The hon. member is now making a suggestion which he should assume will be taken into account.

[*Later:*]

[*Translation*]

Mr. Roland Godin (Portneuf): Mr. Speaker, I have a supplementary question for the Minister of Transport. Does he intend to serve an injunction on Imperial Oil to pay compensation to those who have suffered damages?

Mr. Speaker: That question has already been put.

[*English*]

ENERGY

POSSIBLE U.S. LIMITATION OF OIL IMPORTS

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I direct a question to the Minister of Energy, Mines and Resources. Has the minister received any intimation from the government of the United States that the committee set up a week or two ago by President Nixon is recommending that a curtailment of western Canadian oil shipments to the United States be imposed until such time as Canada is prepared to agree to an energy package deal?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, we have received no official notification, and certainly there is no indication in our conversations, of a cutback on the basis referred to by the hon. member. We have had discussions in regard to the short-term flow of oil into districts one to four. The very large quantities in January and February have made it very difficult for the United States to handle its own oil policy.

We have not to date been able to agree upon a figure which can be included within the program of voluntary controls, but certainly there has been no indication at any time in our discussions that any short-term determination by the United States was contingent upon some longer term deal. The two questions are completely independent one from the other, as I understand it.

POLICY RESPECTING WATER EXPORT

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): I have a supplementary question, Mr. Speaker. In view of discussions taking place with reference to an energy package, may I ask the minister whether it is now the government's considered policy that Canada has more pure water than it can use and would be prepared to sell its surplus water for good hard cash?

Mr. Speaker: Order, please. It seems to me that the hon. member is inviting the minister to state a question of policy or to make a statement of policy. I suggest that perhaps this ought to be done more normally on motions.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, perhaps I might rephrase my question. I asked this question hoping to receive a simple yes or no answer on whether this is the policy which the government has adopted. May I ask the minister, in view of the great concern in Canada about a package deal for energy, what items may be included? Is the minister prepared fairly soon to make a statement on motions and, particularly, will he make a statement in respect of the Prime Minister's comment that we have a surplus of water that should be sold for good hard cash?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, as of March of last year, if my memory serves me correctly, the President of the United States and the Prime Minister discussed the opening of markets for Canadian energy products in the United States. In respect of petroleum, natural gas, uranium and electricity we have very clear knowledge of the available supplies for Canadian use. There is a very comprehensive survey published—

Mr. Speaker: Order, please. May I respectfully suggest that we are now entering upon a debate. My understanding of the question is that the hon. member asked whether a statement would be made. Perhaps the minister would indicate what his reply is to that question.

Mr. Trudeau: Mr. Speaker, I rise on a question of privilege. I should like to state that the hon. member has misquoted me.

Inquiries of the Ministry

Mr. Douglas (Nanaimo-Cowichan-The Islands): The Prime Minister has risen on a question of privilege, Mr. Speaker. I rose on a question regarding the Prime Minister's statement the other day as reported in the Toronto *Star* of February 25. The Prime Minister has not, up until now, denied that statement and the Prime Minister—

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please. This matter was raised earlier by the hon. member for Nanaimo-Cowichan-The Islands, as he has just mentioned, and I suggested at the time that this was a matter of debate. Perhaps the minister might be allowed to reply to the question which he had started to answer.

Mr. Greene: Mr. Speaker, in respect of the long-term energy discussions with the United States on the substances I have referred to, we have a very complete review of the availability of supply from the years 1960 to 1990, as published in the Energy Board report last December. In respect of water, as both the Prime Minister and I have clearly stated we do not have that kind of assessment of the availability of resources needed by Canada, and until we do there can be none for sale. Both the Prime Minister and I have stated that very clearly.

Some hon. Members: Hear, hear.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, in view of the minister's statement that we do not have a surplus of water may I ask the Prime Minister whether he was correctly or incorrectly reported when he said, according to his statement to Carleton University students—

Some hon. Members: Order!

Mr. Speaker: Order, please.

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, in view of the Prime Minister's statement on a question of privilege, is it the government's intention to set up a commission similar to the Borden Commission, which assessed our resources in respect of natural gas and crude petroleum, to determine the needs of Canada, both domestic and industrial, as far as water is concerned for the foreseeable future?

Right Hon. P. E. Trudeau (Prime Minister): This question is being studied intensively now by the department concerned. There is no commission to this effect. This is something we are obviously trying to assess.

On the matter of my statement it might enlighten the House to know that I was not referring to future potential the other day. I said there are hundreds of—I see you looking impatiently, Mr. Speaker.

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please. I am sure I was not. Is the right hon. member for Prince Albert rising on a supplementary?

Mr. Diefenbaker: No.

Mr. Louis-Roland Comeau (South Western Nova): Mr. Speaker, I have a supplementary to the Minister of Energy, Mines and Resources. I should like to ask him whether his department agrees with the policy of the Department of Indian Affairs and Northern Development, as stated in Bill C-187, that a board be set up to study diversion of Yukon and other northern waters to the United States?

Mr. Greene: Well, Mr. Speaker, this government always speaks with one voice.

Mr. Baldwin: But with a forked tongue.

An hon. Member: And with two heads.

Mr. Nesbitt: One voice and two tongues.

Mr. David Lewis (York South): Mr. Speaker, may I ask the right hon. Prime Minister whether he would be good enough to complete the statement he had started?

Mr. Trudeau: Mr. Speaker, what I did say was that there was a figure of 100 million gallons and more of water pouring into the sea every day. Obviously this is fresh water that we have no way of selling today. Before we contract in the future for the selling of any kind of water, if we decide to do so, we would obviously have to know what our inventory is, and our future needs and, if there is surplus water, how much would be surplus. The quotation which is ascribed to me concerns not our policy but a statement of fact and I would be surprised if the hon. member for Nanaimo-Cowichan-The Islands were to deny it.

Mr. David MacDonald (Egmont): Mr. Speaker, I wonder whether the Prime Minister or the Minister of Energy, Mines and Resources would be prepared to make a statement on motions elaborating on the nature of

the study presently being undertaken in respect of future use of Canadian water, and also indicate what opportunity there will be for representations by interested parties in the provinces who obviously have a very large stake in the resolution of this question?

Mr. Trudeau: Mr. Speaker, I cannot promise to make a statement in the immediate future because I have no way of assessing how soon we will be in a position to do so.

[*Translation*]

FINANCE

QUEBEC—SUGGESTION OF NEW LIBERAL LEADER RESPECTING REFUND OF $200 MILLION

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I wish to ask the Prime Minister a question.

Does the cabinet intend to study a suggestion by the new Quebec Liberal leader, Mr. Robert Bourassa, to the effect that the federal government should pay back to each Quebec resident his share of the $200 million which the government of Quebec is requesting?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, it is certain—and the statistics have often proved it—that the federal government pays in fact to the citizens of the province of Quebec for various programs huge amounts which substantially exceed the $200 million. If this is what the provincial leader of the opposition wishes, I will say that we have already answered his request.

[*English*]

THE CANADIAN ECONOMY

PROPOSED TAKEOVER OF DENISON MINES LIMITED BY U.S. INTERESTS—ACTION OF GOVERNMENT

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, I direct my question to the Prime Minister in connection with the announcement he made last evening in relation to Denison Mines Limited, Canada's largest uranium producer. Will he tell the House when he or any member of the government first became aware of the fact that negotiations were going on between certain shareholders of Denison and United States interests, and what communications the government had with the corporation? I will have a supplementary after I get this information.

Some hon. Members: Oh, oh!

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, as far as I am aware there has been no official notification of such a transaction going on. I expect that members of the government knew about such happenings in a hypothetical way from what they may have read in the newspapers over the weekend. I do not want to say any more because I want to leave room for the supplementary question.

Mr. Diefenbaker: Mr. Speaker, all I can say is that if we asked a supplementary question every time we did not get any information from the Prime Minister we would be at it all the time.

Some hon. Members: Hear, hear!

Mr. Diefenbaker: That being so, when did the Prime Minister become aware of the situation that was developing so as to cause him to make so unusual an announcement at such an unusual hour? Did he just find out yesterday?

Mr. Trudeau: I repeat that I had no official notification. I was told, I believe some time over the weekend, by people who do read the newspapers that this transaction was in the process of taking place. I was given to believe it would take place perhaps on Tuesday, today. That is why immediately after the weekend I had a group of ministers look at this subject and we made the decision I announced after the market closed last night.

Mr. Diefenbaker: Why did the Prime Minister not communicate with the company to find out the situation in view of the control the government of Canada has over the export of uranium? Without the government's consent there can be no export. Why was the company not communicated with? Can he say this? Is what is happening another example of being the fruit of the White Paper tree?

Mr. Speaker: Order.

Mr. David Lewis (York South): Mr. Speaker, I wish to ask the Prime Minister a question arising out of his statement last night with regard to Denison Mines Limited, a statement which I may inform him my colleagues and I support. Is the Prime Minister considering proposing amendments to the Atomic Energy Control Act immediately so as to prevent the possibility of foreign takeovers of all or part of uranium companies in Canada before the takeover threat appears?

Mr. Trudeau: Well, Mr. Speaker, I was addressing myself yesterday to a particular

transaction. I indicated that if necessary we would consider such amendments. It may be that such amendments are not necessary. It may be that other ways will be arrived at to achieve the same result, that is to say, to ensure that a substantial proportion of our uranium reserves remain under Canadian control. I might add that I intend meeting tomorrow with ministers and one of the principals involved to discuss this matter further.

Mr. Lewis: Mr. Speaker, I should like to ask the Prime Minister whether, when he meets with his senior ministers, he is ready to consider such amendments to the Atomic Energy Control Act so that, instead of having to react in an emergency to a possible take-over of a particular company as he did last night, there will be legislation to prevent that happening in the future?

Mr. Trudeau: Before considering the introduction of general legislation this government would like to be able to state its general policy applying to the whole problem as it affects the Canadian economy. This is something we would rather do.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to ask the Prime Minister whether the veto by the government with regard to the transfer of shares would also extend to the movement of the head office outside the country? I ask this question in view of a report that such a transfer of the head office is actually being considered by the two companies concerned.

Mr. Trudeau: Mr. Speaker, so far as I know this is a hypothetical situation. I have had no information from the president of the company to the effect that he wished to make such a move. But it is obvious that even under the Atomic Energy Control Act the Canadian government has a very large degree of control over uranium and uranium works. I do not know, once again, if such a hypothetical move is being considered, but obviously there would be various other ways to ensure Canadian control over uranium and uranium processes in Canada.

Mr. Diefenbaker: Mr. Speaker, I have a supplementary question. Surely the Prime Minister of Canada does not suggest he would make an announcement such as he made last night on a hypothetical basis. That surely is not in keeping with his responsibility.

Mr. Trudeau: I do not know about it being in keeping with my responsibility, but the Canadian government was not officially notified by the company of any such happening.

Mr. Diefenbaker: Why did you not get in touch with the company?

Mr. Speaker: Order. The hon. member for Hull.

Mr. Lewis: Mr. Speaker—

Mr. Speaker: It seems to me we have had quite a few supplementaries on this subject. I suggest that perhaps we should give an opportunity to other hon. members.

[*Later:*]

Mr. Speaker: I think there are two pending supplementaries, one by the hon. member for York South and one by the hon. member for St. John's East. We will start with the hon. member for York South.

Mr. Lewis: Mr. Speaker, my supplementary is addressed to the Prime Minister and arises out of one of his answers a few minutes ago. If I heard him correctly he stated that any future amendment of the Atomic Energy Control Act should wait until there was a general statement by the government concerning its policy with regard to foreign ownership. If I understood him correctly, may I ask the Prime Minister when we may expect such a statement with regard to government policy concerning foreign ownership of Canada's economy?

Mr. Trudeau: On the first part of the question I want to be clear. I was not indicating that the amendment we would have to contemplate under the circumstances to which I referred last night would be necessarily a particular amendment referring to a particular company. Therefore in that sense any amendment might be general anyhow. But if the hon. member is referring to a much larger overhaul of this and other acts in order to ensure that in all hypothetical cases there would be a preservation of Canadian ownership, it is in this reference that I am talking about a general statement.

With regard to the second part of the question concerning when the statement will be made, I do not know. The matter is being considered now by a minister and he will submit recommendations to cabinet within a month; but I cannot guarantee to the House at what time the policy will in fact be adopted by the cabinet.

[*Translation*]

NATIONAL CAPITAL

SUGGESTED INTEGRATION OF HULL IN AREA

Mr. Gaston Isabelle (Hull): Mr. Speaker, I wish to direct a double question to the Prime Minister.

In view of the fact that two Quebec provincial ministers have officially forecast Quebec's separation for 1974, does the Prime Minister intend, first, to withhold the erection of federal buildings in Hull, set for April, and, secondly, to take right now the necessary action to amend section 16 of the Constitution, so that the generous Hull area might become an integral part of the Canadian national capital?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I appreciate the suggestions brought forward by the hon. member. I would agree they could be helpful only if the blackmail being tried on us should prove effective, but this government has one characteristic: it does not give in to blackmail.

Some hon. Members: Hear, hear!

[*English*]

NATIONAL PARKS

BRITISH COLUMBIA—ESTABLISHMENT OF NEW FACILITY

Mr. Thomas S. Barnett (Comox-Alberni): Mr. Speaker, I have a question for the Minister of Indian Affairs and Northern Development. In welcoming him back to the House from the fair city of Victoria I would like to ask him whether he can make an announcement about the result of the discussions I understand he had with the members of the cabinet of the province of British Columbia with respect to the establishment of a national park?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, I had a meeting with the Minister of Tourism and we have agreed to sign the final agreement at the beginning of April, when I shall next visit British Columbia.

[*English*]

Mr. Barnett: A supplementary question, Mr. Speaker. Can the minister tell us whether, as a result of the agreement reached with the provincial minister in Victoria, the status of Indian reserve lands in this area has in any way been affected?

[*Translation*]

Mr. Chrétien: No, Mr. Speaker. The lands that are within this territory are still reserved for the Indians. We have made representations to the various bands in the area to try to find a solution. We could offer them compensation or more suitable lands, or else ask them for suggestions.

[*English*]

[*Later:*]

Mr. David Anderson (Esquimalt-Saanich): Mr. Speaker, my question is supplementary to the one asked by the hon. member for Comox-Alberni of the Minister of Indian Affairs and Northern Development. I would like the know from the minister whether, as a result of his discussions with his provincial counterpart in Victoria, stage three, the west coast Trail, will be included in the Long Beach national park?

[*Translation*]

Mr. Chrétien: Mr. Speaker, I told British Columbia's Minister of Tourism that if he did not make available to the federal government the third part of the park, that is the trail along the shore of the ocean, there would simply be no park.

CANADIAN ECONOMY

INFLATION—MEASURES RESPECTING INCREASE IN RAIL AND HIGHWAY FREIGHT RATES

Mr. Léonel Beaudoin (Richmond): Mr. Speaker, I have a question for the Prime Minister.

Could he tell the House whether the government intends to adopt special measures to prevent the freight rate increase coming into force today and the rise to be implemented on March 15 as well as the increases announced by the officials of the Trucking Association from bringing about an increase in the price of the goods carried thus creating more inflationary pressure?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I must take notice of the question and see if I can give an answer.

[*English*]

EXTERNAL AFFAIRS

NATO—FURTHER CUTS IN CANADIAN CONTRIBUTION

Hon. J. A. MacLean (Malpeque): Mr. Speaker, I would like to pose a question to

the Prime Minister. Can he assure the House and the country that it is not the intention of the government to announce in the near future further cuts in Canada's contribution to the NATO alliance? I ask him to make this statement so that speculation regarding new responsibility for the Minister of National Defence will not be continued to be interpreted as a prelude to such a statement by the government.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I am afraid I did not get the import of the question. If it has to do with further cuts in NATO, if it is a question as simple as that, there is no contemplation of such cuts at this time.

TAXATION

WHITE PAPER ON REFORM—CORPORATE PROFITS PROPOSAL

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I have a question—

Some hon. Members: Oh, oh!

Mr. Hees: It is always nice to be appreciated, Mr. Speaker.

Some hon. Members: Oh, oh!

Mr. Hees: I have a question for the Minister of Finance. Is the government giving consideration to withdrawing the proposal to tax all corporate profits at 50 per cent, as this will remove the incentive necessary to induce individuals to go into business on their own, and also make it impossible for small businesses to obtain the capital they need for expansion?

Mr. Speaker: Order. I have the impression the question is more in the form of a declaration. Perhaps the minister might be allowed to reply.

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, I disagree entirely with the conclusions reached by my hon. friend, and the Bullock-Stanfield campaign has not convinced me otherwise so far.

Some hon. Members: Hear, hear!

Mr. Hees: Is the Minister of Finance not influenced by the hundreds of thousands of letters that have been pouring in from all parts of Canada during the last few weeks?

Mr. Speaker: Order, please. The hon. member for Winnipeg North Centre.

[Mr. MacLean.]

BUSINESS OF THE HOUSE

SUGGESTED DISCUSSION OF CONFLICT OF INTEREST BILL

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the right hon. Prime Minister. In view of the Prime Minister's clearly stated concern over the conflict of interest problem as it affects Senators, Members of Parliament and certain other persons, I wonder if he would discuss with the Government House Leader the possibility of finding a bit of House time to consider Bill C-188 as a means of getting a discussion started on this problem?

As a supplementary question, Mr. Speaker, if the Prime Minister finds it difficult to answer that question, I wonder if can he tell us whether the government has any way in which it is going to bring this problem before the House? Otherwise I suggest that my bill might be considered.

INDUSTRY

COPPER—SUBSIDIZING OF FOREIGN-OWNED COMPANIES UNDER NEW POLICY

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I wish to direct a question to the Minister of Industry, Trade and Commerce with regard to the goverment's policy on minerals. In view of the fact that U.S. producers charge a minimum of 69 cents per pound Canadian for copper, while the London Metals Exchange price was approximately 83 cents last week, is it the intention of the government to subsidize foreign-owned companies with cheap copper at a fixed price of 59 cents per pound?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): The question is a bit too complex for me, Mr. Speaker, but the government position on copper was announced last week. I said at the time that 23,500 tons a month would be provided for Canadian fabricators, at a price of 59 cents per pound irrespective of their ownership. If there are other things I should read in the question I will be delighted to consult with my hon. friend after the question period.

EXTERNAL AFFAIRS

WITHHOLDING OF CONTRIBUTION TO UNITED NATIONS BIRTH CONTROL PROGRAM

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, I wish to direct a question to the Prime Minister. In view of the growing

dangers of world overpopulation, could the Prime Minister—

Some hon. Members: Oh, oh!

An hon. Member: It isn't his fault.

Mrs. MacInnis: Mr. Speaker, I am getting so much help—

Some hon. Members: Oh, oh!

Mrs. MacInnis: Could the Prime Minister explain why—

Some hon. Members: Oh, oh!

Mrs. MacInnis: I will carry on—

Some hon. Members: Oh, oh!

Mrs. MacInnis: Could the Prime Minister explain why Canada is holding back her vital contribution—

Some hon. Members: Oh, oh!

Mrs. MacInnis: Mr. Speaker, this question is somewhat serious.

Some hon. Members: Oh, oh!

Mrs. MacInnis: I will try once again if the competition will please pipe down. Could the Prime Minister explain why Canada is holding back her vital contribution to the 1970 birth control program of the United Nations Fund for Population Activities?

Mr. Speaker: Order, please.

Mrs. MacInnis: May I ask a supplementary?

Mr. Speaker: Order, please. I was going to express some doubts whether the question might not be put in writing on the Order Paper, but the hon. member may have a supplementary.

Mrs. MacInnis: May I ask if the Prime Minister or one of his colleagues, would consider making a statement on this matter because it is of vital concern to the United Nations and our role in the United Nations? Could we have a ministerial statement?

Mr. Speaker: Order, please. I have to maintain the suggestion I made a moment ago. If there is urgency which is not apparent to the Chair the matter might be considered at the time of adjournment.

CANADIAN NATIONAL RAILWAYS

ATLANTIC REGION—CUTBACK IN MAINTENANCE OF WAY EMPLOYEES

Mr. H. Russell MacEwan (Central Nova): Mr. Speaker, I have a question on safety also but it is of a different nature.

Some hon. Members: Oh, oh!

Mr. MacEwan: I should like to ask the Minister of Transport if he has had an opportunity to look into the communications from the Brotherhood of Locomotive Engineers and the United Transport Union regarding the matter of safety in connection with the lay-off of CNR maintenance of way employees.

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I asked for a report from the Canadian Transport Commission subsequent to the last question asked on this subject. I have not received it yet but I shall make inquiries and get it as soon as I can.

URBAN AFFAIRS

REQUEST FOR WHITE PAPER AND ESTABLISHMENT OF STANDING COMMITTEE

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I should like to address a question to the right hon. Prime Minister. In view of the fact that the government will shortly receive a study on urban problems in Canada with recommendations for development of new national policies respecting the cities, will the government consider drafting its conclusions in a white paper? Also, will the government consider setting up a standing committee on urban affairs to deal with the matter in view of the complexity of the situation?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I shall await the advice of the minister concerned with housing to see if, in fact, such a report is forthcoming in the near future.

Mr. Alexander: A supplementary question Mr. Speaker. Is the government considering the implementation of a national urban affairs council representative of the federal, provincial and municipal governments which would reorganize and co-ordinate, among other things, the government's role in its contribution to urban affairs?

Mr. Trudeau: This is not being considered at the governmental level at this time, Mr. Speaker.

POST OFFICE

PRESENT POSITION OF MONTREAL POSTAL DISPUTE—ACTION OF SORTERS

Mr. Warren Allmand (Notre-Dame-de-Grâce): I have a question for the Acting Postmaster General, Mr. Speaker. Could the min-

ister tell the House if there has been any improvement in the postal situation in Montreal and also if there has been any report on the second study session by postal sorters, which I understand is taking place in Montreal today?

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, as a consequence of arbitration proceedings put through on an accelerated basis yesterday, the non-reporting members of the Lapalme Company are now back at work and deliveries are being made in the regular way. In respect of the study sessions, I understand these have been called by the Union of Postal Sorters to explain to the employees the terms of the offer made by the government in respect of the current wage negotiations. These study sessions are not interfering with postal sorting.

TRANSPORT

RECOMMENDATIONS BY FEDERAL-PROVINCIAL COMMITTEE ON ATLANTIC TRANSPORTATION

Mr. Charles H. Thomas (Moncton): Mr. Speaker, I should like to direct a question to the Minister of Transport. On February 4, in reply to my question, the minister indicated that the federal-provincial committee on Atlantic transportation had met or was about to meet, and that he would ask it for some recommendations as soon as possible. I ask the hon. minister now, has the committee met and, if so, has it made any recommendations to him?

Hon. Donald C. Jamieson (Minister of Transport): No, Mr. Speaker, no recommendations have come forward as of this moment. I understand they made a good deal of progress at the meetings my hon. friend refers to and that they are meeting again, I believe, on the 5th and 6th of this month. The provincial representatives have assured me that they will have some recommendations coming out of this two days of meetings.

ACTION ON RAILWAY FREIGHT RATE INCREASES

Mr. Thomas M. Bell (Saint John-Lancaster): A supplementary question, Mr. Speaker. May I ask the minister what action, if any, the government is taking with respect to the recently announced freight rate increases by all carriers in all parts of Canada?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, there are procedures established for dealing with these matters. They are not ones with which the government can involve itself directly.

Mr. Bell: A supplementary question, Mr. Speaker. In view of the seriousness of this matter does the minister not feel that, in conjunction with his colleagues, he should speak to the carriers or contact the Canadian Transport Commission about this increase announced yesterday and the frightful ones coming in the future?

Mr. Speaker: Order. Although the question period has just about expired, the Chair will recognize the hon. member for Crowfoot on a supplementary.

Mr. J. H. Horner (Crowfoot): I should like to address a supplementary question to the Minister of Transport, Mr. Speaker. In light of the government's proposed fight against inflation and its efforts to reduce costs, will he assure the House and the country that if the CTC is not prepared to roll back the announced increase in freight rates—and the minister has the jurisdiction to do this—he and the government will consider rolling back the announced increase in freight rates which will cause prices to increase?

Mr. Jamieson: Mr. Speaker, I might argue with the claim that we have the power to roll back prices. In any event, the Prices and Incomes Commission has indicated that it will be investigating the freight structure of the railways and is going to use the mechanism of the Canadian Transportation Commission to accomplish that end.

Mr. Speaker: Orders of the day.

• (3:10 p.m.)

GOVERNMENT ORDERS

NORTHERN INLAND WATERS BILL

CONSERVATION, DEVELOPMENT AND UTILIZATION OF RESOURCES

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development) moved that Bill C-187, respecting Inland Water Resources in the Yukon Territory and Northwest Territories be read the second time and referred to the Standing Committee on Indian Affairs and Northern Development.

He said: Mr. Speaker, a short time ago I had the pleasure of announcing a major step in the development of the resources in

Canada's North. That announcement concerned the federal government's decision to invest an additional $13.5 million in Panarctic Oils Limited. Today, with equal pleasure, it is my privilege to move second reading of the Northern Inland Waters Bill.

This Bill represents a major step in the protection and conservation of the ecology and resources of the Yukon and the Northwest Territories. While pollution is a critical problem in many areas of Canada, we have it within our power to prevent the far North from being similarly damaged.

Mr. Stanfield: Why don't you do it?

Mr. Chrétien: This vast region, which contains more than one-third of both the land mass and water resources of our country, is still relatively free from pollution.

Major industrial development, especially in the mining and petroleum industries, is about to get underway North of 60. By acting now, this region can be spared the disasters of environmental mismanagement that now plague other parts of Canada. We are indeed fortunate to be able to profit and learn from mistakes made elsewhere in the past.

By acting with determination and decisiveness today, we may ensure that 20 or 30 years from now we will not be faced with settling another tremendous debt as the price of indifference and mismanagement of the water resources of the North.

I have emphasized the importance of dealing effectively with water pollution in the North. However, the Northern Inland Waters Bill is designed to do much more initiating comprehensive planning and management in developing our northern water resources.

The Bill has four main purposes:

1. To provide for the equitable distribution of sharing of rights to use water in the North among interests with legitimate and sometimes conflicting claims on this resource;

2. To ensure that the disposition or allocation of water rights is done in a manner that is consistent with immediate and long-term regional and national interests;

3. To ensure that all works and undertakings planned for the use, diversion, storage or treatment of water are designed and constructed to acceptable engineering standards; and,

4. To establish and maintain the principle that rights to the use of water are dependent on the users accepting full responsibility for maintaining its quality or restoring its quality to acceptable standards before returning the water to the natural environment.

[*Translation*]

Under the Northern Inland Waters Act, all property in and the right to the use of surface and ground waters in the Yukon and the Northwest Territories will be vested in the Crown. In other words, ownership of land does not involve any right to adjacent water resources. Inland waters in the North will remain for all time public property to be used, managed and developed in the interest of the region and the nation as a whole.

It also means that rights to the use of water will no longer be based on riparian principles but must be obtained from the Crown. This will be done through water licenses.

The licencing procedure serves a number of functions. First of all individuals and companies applying for water licences will be required to provide details of intended use, the quantity of water required, the locations of diversions and storage and details of the plans and designs of their proposed water development undertaking. They will aso have to spell out in detail the likely effects on water quality that will result from their proposed use of the water, and what facilities are planned to protect or restore water quality. All these details will have to be approved by the territorial water boards before a water licence is issued.

The licencing system also provides for the orderly development of northern water resources. Once a water board has issued a licence on a river or stream, they will not issue additional licences to the point where total demand exceeds available supply. This will eliminate problems associated with such obsolete systems of water rights as are presently contained in the Yukon Placer Mining Act, for example, which allots a share of water to all mining operations on a given stream, whether there is an adequate supply to meet all these needs or not.

I have already said that territorial water boards will be responsible for issuing water licences. One of the most important features of this bill is the creation of water boards located in each of the territorial capitals.

Up until now, various federal departments and the territorial governments have exercised whatever water responsibilities they had in a completely independent manner and with little or no co-ordination with each other. The result has been that water users in

the North are subject to a wide variety of rules, regulations and directives, many of which are definitely inconsistent. Northerners have long wanted a new water act which gives them a single water authority in each of our northern territories to carry out the total federal responsibility for northern water conservation. The bill does this by creating boards made up of the senior federal water conservation officials in each territory and officials from the territorial governments. When a board issues a licence, or sets water standards, all federal departments and the territorial governments are party to the decisions. Furthermore, co-ordination is built into the decision-making process.

The bill includes therefore provisions for the control of water quality, the issuance of licence for the use of water, co-ordination of government responsibilities regarding water and other aspects. Taken separately, these provisions deal with an important field of water conservation. As a whole the bill represents an effective mean of arriving at general planning of that important resource, the waters of the North.

Mr. Speaker, we can no longer afford to manage and develop our water resources in terms of single purpose planning. Water is a unique resource which is a vital constituent in the complete range of human activity.

Moreover, water does not respect political boundaries, private property or regions of influence.

This means that water planning and management can no longer be carried out in neat little compartments, one concerned with water power, one for industrial processes, one for domestic requirements, another for recreation and so on.

Water management today must be based on the concept of overall basin development. It must take into account all of the various uses and needs that the water resource will be expected to meet. What is done at point A on a particular stream will have an important effect on what can be done at point B on the same stream and the two must be considered together in planning river development.

This concept of overall planning is clearly reflected in the bill. There will be provisions which will govern exploitation of this resource according to the watershed line and other geographical particularities and there will be provisions for the issue of licences for the use of water during some defined periods in order to allow multipurpose planning and rational development. The bill permits agreements to be made with provincial governments for joint planning on those rivers and lakes that cross the boundary along the 60th parallel. The bill provides reserving land adjacent to important bodies of water to protect the water resources where this is deemed advisable.

[*English*]

This bill, Mr. Speaker, recognizes the requirements for water north of the sixtieth parallel, and ensures that it will be fully protected in the future.

The north will have increasing demand for water in the years ahead. Water will be needed for resource processing, industrial purposes and for hydro power. The bill protects water to meet these needs.

The economic life of much of the north and the tremendous oil exploration and drilling programs under way in the Mackenzie Valley and on the Alaska north slope are largely dependent on maintaining the quality of the water in the Mackenzie River System. The bill will protect this waterway.

The government has an obligation to protect the right to water of the indigenous people, since many of them depend on fishing and trapping animals whose habitat is the marshes, deltas, rivers and lakes of the north. Northern lakes and rivers are one of the main breeding grounds in North America for a wide variety of important bird species as well as being the home of a number of unique wild animals. This legislation will assist the Canadian Wildlife Service and other interested bodies in their efforts to protect the ecology in the north where the balance is more delicate than elsewhere. With the passage of this legislation, it is my firm belief that we will have all the tools we require for multipurpose planning and rational development of our northern water resources.

• (3:20 p.m.)

Finally, I would like to say a word on the relationship of the northern inland waters bill to the Canada water bill. As you know, the Canada water bill is intended to reflect the national interest in the protection and management of water resources throughout Canada. The Canada Water Act assumes that strong regional water authorities exist in the provinces and territories, and it is a means whereby the federal government can co-operate with provincial and territorial water authorities in the comprehensive planning and management process. The northern

inland waters bill provides just such a strong regional water authority, an authority needed for effective planning of those northern water resources that are or will be considered to be of national concern.

Before I close, Mr. Speaker, I would like to return briefly to the question of water quality. This bill allows the water authority to write conditions for water quality protection into every water licence issued in the north. Failure to live up to these conditions can result in the suspension or cancellation of a licence. In other words, you pollute the waters of the north and you get your water cut off. Moreover, the water boards can set standards of water quality for any waters within a water management area. Polluters violating these standards can be fined up to $5,000 per day.

The bill provides for water quality inspectors with powers to enter any plant, mine or other undertaking to investigate processes, take samples, examine production records, check abatement facilities and generally to collect facts on water quality management. We do not intend that the effectiveness of this legislation will be lost through halfhearted or weak administration.

Conserva ion in the north, Mr. Speaker, is a matter of great interest and concern to the present government. When I assumed responsibility for northern development, one of the first things I did was to ask my officials to tackle the problem of conservation north of 60. We had no time to lose. I indicated at the time that we must come forward with land use regulations and water quality legislation as soon as possible.

Much has been done since then, but more will have to be done. A broad program of land use and ecological research has been instituted by my department in co-operation with teams from various Canadian universities. Discussions are under way with industry and conservation groups on the question of environmental controls in the north. Also, during the last session of Parliament I introduced the Oil and Gas Conservation Act, and during this session, in addition to the northern inland waters bill, legislation will be forthcoming dealing with coastal waters as well as amendments to the Territorial Lands Act.

Historical patterns of development in this country, Mr. Speaker, have left us with one-third of our country relatively free of water pollution. We can and must prove to the nation and the world that we are willing and able to prevent and control water pollution in the Arctic. Minimum standards of water quality must be established at this time. We cannot afford to wait. I ask all members of the House to give the northern inland waters bill their full support.

[*Translation*]

Mr. Louis-Roland Comeau (South Western Nova): Mr. Speaker, would the minister allow me a question?

Mr. Speaker: Does the hon. member wish to ask a question?

Mr. Comeau: Yes, Mr. Speaker. Does the minister not agree that under Bill C-144, which has to do with Canada's water resources, the federal government can act alone without the assistance of provincial agencies, as provided under clause 11 of Bill C-144, as far as the management of water resources in the Yukon is concerned?

Mr. Chrétien: Mr. Speaker, under the bill introduced by my colleague the Minister of Energy, Mines and Resources (Mr. Greene) concerning the control over and the general policy on Canadian water resources, neither my colleague nor the federal government can act unilaterally in this field because many lakes and rivers are under provincial jurisdiction.

The bill I introduced today concerns the establishment, in the North, of an agency which will be empowered to control water use in these regions without having to deal with three or four different agencies. These boards will deliver permits in the Yukon and the Northwest Territories and people will deal with a single agency in order to secure permits for using water. As I said in my remarks, all this will mesh with the overall policy on Canadian waters.

[*English*]

Mr. G. W. Baldwin (Peace River): Mr. Speaker, there are a number of problems raised by this bill and the speech by the minister which will be dealt with by my colleagues. However, there is one issue with which I want to deal and I hope the minister will take note of it. The bill defines the waters in question as being included in the Yukon Territory and Northwest Territories. What we want to know is what are the Northwest Territories? Do the Northwest Territories include the islands of the Arctic archipelago?

Mr. Chrétien: Yes, Mr. Speaker.

Mr. Baldwin: I am glad to hear that. It is certainly confirmed by the Order-in-Council passed in 1918 which states the provisional District of Franklin, part of the Northwest Territories, is one of the divisions of the Northwest Territories. If this is the case, it poses a question which this minister, the Prime Minister (Mr. Trudeau) and the Secretary of State for External Affairs (Mr. Sharp) have played around with far too long.

For a year, we on this side of the House have been asking for some clarification of the position of the government with respect to the Arctic archipelago and ownership of the waters. There are a number of authorities which suggest that the waters included within the limits of base lines drawn around the Arctic archipelago are Canadian waters in the sense that they are internal waters. The government has failed to answer whether this is so. I have asked the Prime Minister and the Secretary of State for External Affairs to state their position, but I have not received a clear and positive statement. They have fumbled around and debated this issue. If this is correct, and there are many authorities which suggest this is the case, then the waters included within the limits of base lines drawn around the Arctic archipelago are inland waters.

I hope when the minister closes this debate he will state whether he includes these waters as inland waters within the definition section. I ask the minister to give some thought to this before he concludes this debate. This is something this House and all Canadians want to know. It is very important in light of the fact the tanker *Manhattan* has now been allowed passage through these waters by the Canadian government. We cannot disassociate the question of pollution from the issue of the passage of this tanker and similar vessels through these waters. What is the position of the government? This matter has been raised over and over again, even as late as today. The hon. member for Oxford (Mr. Nesbitt), the right hon. member for Prince Albert (Mr. Diefenbaker), the Leader of the Opposition (Mr. Stanfield) and I have all asked the government where it stands on this issue. We have all asked the government: where do you stand? What is your position? What do you define as being waters under the jurisdiction of Canada? No clear and definite answer has yet been given. It is too important a question to be brushed aside, and it is raised directly by this bill.

• (3:30 p.m.)

In response to a question in this House as to the status of these waters, the Secretary of State for External Affairs said he was not sure. He was not able to say. I asked whether these were inland waters or territorial waters. A great deal depends upon the answer. But though we have asked the government to respond on many occasions, hon. gentlemen opposite have been unable to do so. As late as today the Prime Minister and the Minister of Transport (Mr. Jamieson) failed to deal with this matter. There is every right under international law for a declaration to be made that these are inland waters—that they are internal waters and thus subject to the jurisdiction of this country. Even if they are territorial waters, this country has a right to lay down in precise terms regulations which will protect the north.

It is all very well for the minister to talk about ecological damage. We agree as far as the other waters in the Yukon and the Northwest Territories are concerned. I want the minister to give serious thought to this issue because it is raised directly by the bill before us. My hon. friend from Oxford will be dealing more directly with this aspect as will others in this House.

I turn now to another matter, one which concerns me a great deal. I am shocked and amazed that in drawing up this measure the government and the minister should have failed to take into account the positions of the Territorial Councils of the Yukon and the Northwest Territories. We are dealing with a bill which is not of the kind commonly known as a money bill; there is no recommendation from His Excellency as to the expenditure of money. Despite this, provision is made for the appointment of two water boards and a number of officials. Obviously, if there is no recommendation from His Excellency, as provided by standing Orders, and the B.N.A. Act, any officials to be appointed in the Northwest Territories would be officials who are already on the payroll of the government. There can be no question about this, unless, of course, the minister has been able to find a large number of people who, for philanthropic motives, are prepared to serve without pay, allowances or expenses.

Clause seven of the bill says that two boards are to be appointed, to be known as the Yukon Territory Water Board and the Northwest Territories Water Board. Subsequent clauses make provision for the appointment of officials and staff. If they are not to

be paid, they must already be on the payroll of the government, and, consequently employees of the government.

I would draw your attention now, Mr. Speaker, to the proposed membership of the board. The government has been talking about extending the independence of these Councils and making the democratic process available to the Northwest Territories and to the Yukon by allowing for a larger number of elected members on the Councils. In these circumstances one might have thought provision would have been made in the bill for giving these bodies a say in these proceedings. Instead, what do we find? Clause seven says the boards to be established shall consist of not less than three and not more than seven members appointed by the Minister. Membership of each board is to include at least one nominee of each of the departments of the Government of Canada which, in the opinion of the Governor in Council, are most directly concerned with the management of water resources of the Territory and of the Territories, and at least one person nominated by the Commissioner of the Territory—who is an appointee of the federal government—after consultation with the Council.

As far as this government is concerned, we all know how limited is this conception of consultation. We have heard the minister's views with regard to consultation with the Eskimos in northern Ontario. We know what he interprets as being consultation. One nominee only is to be appointed by the Commissioner after consultation with the Territorial Council. This is a shocking insult. It is an affront to the democratic process. Here are two boards, their membership consisting of appointees of the minister, civil servants employed by this government, who will be free to dispose of the waters of these great Territories. Yet the Councils have only a very limited right of consultation as to the apointment of one member of the board. I think this is an insult to the people of the Yukon and the Northwest Territories.

For how long will these licences to use water be given? There is one provision in the bill which allows for an extension of a licence for 25 years. Mr. Speaker, before 25 years have gone by one or both of these Territories will perhaps have expanded its population and economy to the point of acquiring provincial status. Yet they will be faced with the consequences of decisions made by a minister sitting in Ottawa with the assistance of boards he himself appointed. It might well be that the minister, or his departmental officials, have failed to take this aspect into account. I hope that before the bill comes back to the House the hon. gentleman will take a hard look at this proposal and do something to purge this insult to the people of the Northwest Territories and of the Yukon Territory.

I turn, now, to the major point I wish to make and in respect of which I intend to move an amendment in due course. Let us not kid ourselves. We are facing on this continent at the present time a situation in which the authorities in Washington have been talking about the continental sharing of energy resources. I know the Minister of Energy, Mines and Resources (Mr. Greene) made a comment the other day in which he hastily disclaimed any intent on his part to include water in this package. The Prime Minister, however, has made statements in the past which indicate beyond any doubt that he feels a certain freedom on his part, when certain conditions are satisfied, to dispose of the water resources of Canada. Despite what he said today, the Prime Minister exercises great freedom in expressing his views outside this House, making statements and comments at universities and elsewhere which later we find becoming the principles which animate this government. For these reasons I believe the House would be derelict in its duty if we allowed the bill to pass in its present form, especially bearing in mind what we know to be the thinking of our friends to the south and what we know to be the thinking of the Prime Minister as conveyed in statements he made not so long ago when he was appearing before a group of university students in an interview which was televised.

Allow me to develop the basis upon which I make this statement. In clause two of this bill, the definitions clause, we find in subclause (2):

> For the purposes of this Act, diversion of waters from a water course, whether the water course is seasonal or otherwise, and obstruction of any such water course shall be deemed to constitute uses of waters.

In other words, the diversion of waters is equated with the use of waters.

• (3:40 p.m.)

Clause 3 provides that no person shall alter or divert the flow of water except pursuant to a licence held by him. I do not want to deal with these clauses seriatim in discussing the bill; I simply want to build up my case in

order to indicate the reason for the amendment.

Clause 10 provides for the issuing of licences to a licensee who must satisfy the appropriate board of certain facts. Nowhere is it set out that the licensee must satisfy the board that he does not intend to export waters from this country. Nowhere in the bill is it suggested that export of water from this country is prohibited. I suggest that is a very serious omission.

Mr. Chrétien: May I have permission to ask the hon. member a question?

Mr. Baldwin: I will be delighted.

Mr. Chrétien: Is the hon. member not aware that there is in Canada some legislation that prohibits the export of any kind of resource without the permission of the government?

Mr. Baldwin: But this is legislation that the government is bringing in now, with full knowledge of that other legislation. It may well be that the government wants to involve itself in law suits at a future stage but if the government is so satisfied that this legislation is subject to the legislation to which the minister has referred, then why is this provision not included in the bill so that the position is made absolutely clear? If the situation is clear, then let the minister accept the amendment that I propose to offer to the House later on. If the government is of the opinion that the views put forward by the Minister of Energy, Mines and Resources (Mr. Greene) are the same views as those held by the government, then let the minister consider the amendment that I will propose.

We would be derelict in our duty if we were to allow the bill to pass without taking into account this situation, particularly bearing in mind what we know to be the fact in the United States, bearing in mind that there is an obvious division of opinion among the members of the government, and also bearing in mind that not so many years ago what was heralded as a great proposal, one given appropriate publicity, was put forward to gather together the waters of northern Canada that are referred to in this bill in a great public work, and to divert those waters through canals and rivers to the south-western United States. This proposal has not been abandoned.

I referred to the fact that clause 10 contains no prohibition whatever on the right to export water. I realize that this is not the time to become involved with the minister and the government in an argument on the interpretation of statutes; but I do suggest that this bill, standing as it does, might well be held to supersede the other legislation to which the minister refers. As I say, if that is not the case, then let the minister think very carefully about the defect that appears in the bill and correct it.

Clause 15 provides for public hearings and for procedures for those applicants who want to use the waters of the north. One provision makes it possible for an applicant to ask for a hearing. This hearing is to be decided by this government dominated and government appointed board, without any public notice at all, which I suggest is creating a very dangerous situation. It may well be that the government's intentions are good; I do not know. I hope they are. But what government is going to succeed this one? What Prime Minister or minister of northern affairs will succeed the present incumbents? It is, therefore, our duty to make sure that any loopholes are closed, and in this regard I hope that the minister will consider it his duty to accept our suggestions.

At the present time I suggest that the House is free to lay down the principle that there should be no export of waters from this country. We are not able to speak for generations to come; neither are we able to speak for future Parliaments. If the amendment that I am going to propose is accepted, it will mean that the government and future ministers will not be allowed, as they are under the provisions of this bill, which I suggest may well supersede any previous legislation, to provide for the kind of export that we worry about.

The minister may not worry about it, but I live in northern Canada and have many friends who live in the territories, and they are worried and concerned about a government that pays only lip service—as this bill proves—to the question of providing democratic representation for the people of the Northwest Territories.

Mr. Chrétien: What did you do when you were in power?

Mr. Baldwin: The minister asks what we did when we came to power. We built roads to the north. We built railroads to the north and extended the frontier. We made the north a real name, and did so in face of the most stubborn and bitter resistance from the then Liberal opposition, who referred to it as a program of building roads from igloo to igloo.

As I say, we made the north the place it is, a great place for the people of this country. This government is doing everything in its power, despite our protestations, to undo the progress made by the previous government in northern development.

Mr. Chrétien: May I ask the hon. member another question?

Mr. Baldwin: Delighted.

Mr. Chrétien: Is he aware that when the Conservatives were in power, mining production in the north was about $26 million a year? This year mining production will be over $200 million.

Mr. Baldwin: Of course I am aware of that. For ten years prior to 1957 the people of the Northwest Territories implored the then Liberal government to do something about building a railroad to provide access to the north. Who was responsible for building the Mackenzie highway? Who was responsible for constructing the Pine Point railway? A large part of the mining production of which the minister speaks is the result of the construction of the Pine Point railway. This mine was put into production because this railway was built by the previous Conservative government.

Some hon. Members: Hear, hear.

Mr. Baldwin: Let the minister answer that.

Mr. Greene: What did Sir John A. do? Nothing.

Mr. Baldwin: That is the trouble with too many members of this government: they have their minds back even before the time of Sir John A. Let them bring their minds up to date. Let them realize that in the 20th century the Northwest Territories is a living, viable part of this country.

Mr. Ricard: Give them a mind first.

Mr. Baldwin: My hon. friend says there is some question about whether they have a mind, and I agree with him on that.

I did not intend to make a long speech, but I was provoked by the inaccurate questions and remarks made by both ministers. If the minister is of the opinion that it is not the intention of the government to leave any loophole with regard to the export of water, then he should have no difficulty in accepting my amendment. In order to ensure there is no doubt about the matter, I would move, seconded by the hon. member for Oxford (Mr. Nesbitt):

"This House declares that the bill fails to enunciate the principle that the inland water resources of northern Canada and the Yukon territory and the Northwest Territories ought not to be exported from Canada by licence or otherwise and the bill should not be proceeded with.

Mr. Chrétien: Mr. Speaker, I do not know whether I should raise a point of order or a point of procedure, but I do not think the motion is acceptable. We are not discussing exportation here; we are talking about the management of water resources in the Northwest Territories and in the Yukon territory. It is not a bill relating to international markets or exportation. There is some legislation that provides for Canadians in such circumstances. This bill deals only with management of the water within the Northwest Territories and the Yukon. I should like to point out to the Chair that this amendment in my view is not acceptable.

• (3:50 p.m.)

Mr. Baldwin: On this particular issue—

Mr. Speaker: Order, please. The hon. minister has raised an interesting point. The Chair would be pleased to hear the views of all hon. members who can contribute to the enlightenment of the Chair on the point of order.

Mr. Baldwin: Mr. Speaker, on this particularly limited aspect, I would point out that in view of the clauses I have already read, this bill refers to the uses of water, and the uses of water are defined to include diversion of water. By any simple understanding of one of the languages that this House has adopted, a diversion of waters falls within that definition. Obviously, export would be a diversion of waters from the territories.

What I am saying is there is no limitation of the right to use water for diversion to places outside of the territories. A glance at the definition section, and those clauses which deal with rights and powers, would indicate beyond any shadow of doubt that the power is authorized to grant to applicants for licences the right to make use of these waters and to divert them for this particular purpose. How can the minister or any person stand in this House and say that those provisions are not wide enough to include any use at all? We are saying there is a gap; let's close it. If the minister is sincere, then I hope he will accept the amendment.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, in respect of the point of order that has been raised by the Minister of Indian Affairs and Northern Development, I suggest that he may have inadvertently made a good argument for the acceptability of the amendment. Let me come to that in a moment.

I want to say first of all that the amendment is not in quite the usual form that second reading reasoned amendments take. Your Honour has been justifiably generous in that respect. You have not been a stickler for the form and words, so long as the spirit has been clear. You have insisted that a reasoned amendment must state an alternative proposition and that the amendment must make it clear that those proposing it are opposed to the passing of the bill in its present form. Your Honour has rejected a number of amendments at this stage when they have attempted to have it both ways, but that is not the case with this amendment. I submit that the amendment, as I read it, clearly states opposition to the bill and gives a reason for that opposition, namely the fact that it does not include the enunciation of a certain principle.

When I rose to my feet I said the minister had perhaps inadvertently made an argument on our side of the case. I meant by that, that he underlined the very fact the hon. member for Peace River suggests is not in the bill. That is exactly the point, as I see it, that the hon. member for Peace River is making. He is saying that because this bill, as it is now before us, does not contain an enunciation of the principle set out in the amendment, therefore he and those who agree with him feel that the bill should not be proceeded with at this time.

Most of us feel that it is more in the nature of a second reading reasoned amendment if it starts out by saying that the bill be not now read a second time, but that it be resolved that in the opinion of this House such and such should be declared. As much of a stickler for words as I may be, I can see that the form is not absolutely necessary. What is important is that the proposed amendment be something that cannot be dealt with by way of an amendment in the committee. It should state the reason for the opposition of those proposing the amendment, and thus it should be against the bill.

As I say, the hon. member for Peace River has said in his speech and in his amendment that because the bill does not contain a principle, which the minister admits is not there, the bill should not be proceeded with. Therefore, Mr. Speaker, it seems to me there is a case for the admissibility of the amendment.

Mr. Speaker: I thank hon. members for the views they have expressed in relation to the acceptability of the amendment proposed by the hon. member for Peace River. The point raised by the hon. minister is, of course, very interesting. It is the kind of objection which is normally and usually made in respect of a reasoned amendment proposed to the House.

We know that such amendments have to be relevant. I believe that the precedents are to the effect that they should be strictly relevant to the bill before the House. The hon. member for Peace River, supported by the hon. member for Winnipeg North Centre, states this is essential to a reasoned amendment because it indicates the reasons the bill should not be proposed or proceeded with. They claim the amendment as proposed is relevant to the bill now before us. I am inclined to agree with that proposition.

I might state that it is not absolutely clear whether the amendment is strictly relevant to the principle now before the House. At the same time I feel that when amendments are proposed, particularly reasoned amendments, some measure of leniency has to be exercised, particularly when hon. members feel that the proposal included in the reasoned amendment should be put to a test in the House, and that the reasoned amendment should be allowed.

In the circumstances, I think I should give the hon. member the benefit of the doubt and say that the proposed reasoned amendment is relevant to the bill before the House and allow it to be put at this time. Before putting the proposed amendment I should point out that it is defective to the extent that the hon. member has left certain words out of the amendment as proposed to the Chair, namely "that all the words after 'that' be deleted and the following added—". In any event, I shall put the motion to the House which is as follows:

Mr. Baldwin (seconded by Mr. Nesbitt) moves:

That all the words after "that" be deleted and the following added;

"This House declares that the bill fails to enunciate the principle that the inland water resources of northern Canada and the Yukon Territories ought not to be exported from Canada by licence or otherwise and the bill should not be proceeded with.

Mr. Thomas S. Barnett (Comox-Alberni): Mr. Speaker, the acceptance of this amendment does place some new dimensions on the discussion of this bill, and certainly as far as I

am concerned the amendment does highlight a matter that is very pertinent to the whole question of the water resources in the territories and, indeed, the whole of Canada. All of us who have been following such matters are well aware of the various proposals advanced from time to time which would involve major diversions of water resources in the territories, across the central provinces of Canada and down into regions as far away as southern California and New Mexico, well beyond the territorial borders of our country.

• (4:00 p.m.)

For this reason, my colleagues and I welcome the fact that the official opposition has seen fit to introduce this element into the consideration of the proposal we now have before us. This element is one which obviously is pretty difficult to ignore within the context of what has been happening. At the same time I believe the speech of the minister in introducing the bill raises certain other very important issues, as indeed did the speech of the hon. member for Peace River (Mr. Baldwin). I have looked at the bill. In some ways it is a rather complicated bill. I think there will have to be considerable discussion in the committee before one will be fully aware of the exact meaning of all the clauses.

I might raise the question of whether the Dominion Water Power Act or this bill will take precedence in certain situations. One might go on, of course and refer to the old mining acts of the Yukon Territory in this connection. These are questions which can be dealt with in detail if the bill, including the principle proposed in the amendment, according to the decision of the House, gets into the Committee of the Whole.

One thing which concerned me was the rather flowery way in which the minister opened and closed his contribution to the debate on the bill. If I may say so, his speech was like a sandwich, with some meat in the centre of it, enclosed by two slices of a rather floury and fluffy substance. He went to great lengths to suggest this bill is the end-all and be-all of meeting the problem of pollution and the dangers in respect of the ecology in the more northern reaches of Canada. I may wish to say something about these aspects of the minister's speech before I conclude my remarks. I should like to refer to one or two matters raised by the hon. member for Peace River. He raised a matter which is of concern when he made reference to the question of the islands of the Arctic archipelago. I thought, either inadvertently or perhaps with a bit of ingenuity, he confused the question of internal and inland water in his discussion.

"Inland water" is a very specific term and "internal water" is also a specific term in respect of certain waters of Canada. One ought not to be confused with the other in any discussion we have in this House. To this extent, I must take issue with what I consider to be a rather specious argument advanced by the hon. member for Peace River in this connection. I do not suggest that the subject matter with which he was dealing is not an important one, and one of great concern to members of this House. But I suggest that the bill really is deficient in the sense that the proposed jurisdiction is restricted to the inland water of Canada. I suggest that the jurisdiction in this bill should be extended to include the internal waters of Canada. I think perhaps I may make reference to what I consider, in many ways, to be a companion bill, Bill C-144, even though at the moment it is being considered by a committee of this House.

If I understand it correctly, the proposed Canada water bill makes no similar restriction. It does not deal only with the inland water of Canada. It is a bill which concerns the management of the water resources of Canada. My understanding is that under the terms of the Canada water bill it would be possible for some management to be exercised over the internal water of Canada; in other words, the adjacent coastal areas of the country. It seems to me this is a point which certainly should be considered by the House. Already, on second reading, an amendment has been proposed. I do not think I could move at this stage an amendment to the amendment which would be in order. Certainly, however, this is a question which should be considered if this bill goes to the committee; that is, whether or not the bill should be expanded to include not only inland water but internal water.

I say this advisedly because what happens in respect of our adjacent coastal water may be just as important as what happens in respect of the water of our lakes and streams. The question of the management and control of the quality of this water may be very important to the ecology of the water, and to some of the other natural resources of the country, with particular reference perhaps to the fishery. I suppose I am particularly aware of this sort of thing as a result of living in a part of Canada where there is a close rela-

tionship between the inland water and the internal water because of the various forms of fishery in the area, particularly the salmon and shellfish fishery. One need think only of the interesting fishery resource of the north, the Arctic char, to realize that water quality management—if that is what we are to be concerned about in relation to the Arctic char—is important not only in relation to inland water but certainly also the internal water of Canada.

In conclusion, and without indulging in a repetitious argument on the broader question raised by the hon. member for Peace River, I submit that the question of jurisdiction over the water lying between the islands of the Arctic archipelago is one which is important and very relevant to this bill, and one which I hope the minister and his departmental officials will consider very carefully before this bill proceeds beyond the committee stage.

There are one or two points in relation to the broader aspects of the bill which I should like to raise. I refer to the rather extravagant claims made by the minister in the opening paragraphs of his speech. He claimed that this bill, in effect, will solve the problem of protecting and conserving the ecology of the Yukon Territory and the Northwest Territories. At the outset he made some reference to his pleasure in having announced something potentially dangerous in respect of pollution, and in the next breath that certain steps will be taken to clean up the mess caused by oil in the Arctic.

The minister is much more extravagant in his claims in respect of this bill than his colleague the Minister of Energy, Mines and Resources (Mr. Greene) was when he introduced the Canada water bill in so far as it being an anti-pollution or pollution-control measure. I submit that basically this bill has the same failings the Canada water bill had in terms of pollution protection. The fact is that we are dealing with an area where constitutionally there really is no division in respect of the control of resources. Therefore one could argue that in the introduction of this kind of bill in relationship with, and in my view as a companion piece of legislation to the Canada Water Act, we have a unique opportunity of doing something which the Minister of Energy, Mines and Resources might argue is difficult to do under the Canada Water Act, because of constitutional problems. I am talking about the setting of standards.

[Mr. Barnett.]

• (4:10 p.m.)

In both of these bills what, in effect, we in this Parliament are saying is that we are going to turn over to bureaucratic control and direction, to the people who have narrow technical expertise, the whole question of deciding, what are going to be the standards of water quality, with no general terms of reference.

There is a clause in the bill, as there is in most bills, which gives the Governor in Council power to make certain regulations. One part has to do with regulations concerning:

—prescribing water quality standards for water management areas that are not, or are not included in whole or in part within, a water quality management area designated pursuant to the Canada Water Act;

There, Mr. Speaker, we are adding two more to what was formerly at least ten dimensions of water quality standards, you might say, because conceivably under the operations of two separate water boards there could be different standards in the Yukon as compared with the Northwest Territories.

Mr. Chrétien: Just for information purposes I would like to point out to the hon. member that the minister has power to establish standards through Order in Council, and these standards will apply to the both territories. So, it is not a question of duplication. It is mentioned in the bill that we will conform with the standards or regulations of the Canada Water Act.

Mr. Barnett: Yes, Mr. Speaker, but what is the standard set under the Canada Water Act? That is the whole point we have been arguing since that Act was introduced. It makes no provision for standards that are uniform across Canada. This is the whole argument with the minister's colleague.

Mr. Chrétien: There would be standards in the north through regulations.

Mr. Barnett: All right. The minister says there will be standards in the north through regulations, but they may be different from the standards of water management in the province of Quebec or British Columbia. This is the argument. There is no yardstick. There is certainly growing evidence of public interest and concern in this field. The citizens of Canada should have a yardstick somewhere by which they can measure the performance of these various boards and bureaucracies that are going to be set up, whether in the north or other parts of Canada.

This is the whole point. The average Canadian citizen may not be able to understand all the complicated chemistry that is involved, but the average Canadian citizen is becoming increasingly knowledgeable on these matters. Most people you talk to now have some idea what you are talking about if you mention the ecology of the north, to use the words the minister used in his speech. I know that in my area people who are teachers of the biological and chemical science courses in the secondary schools are taking an interest in examining and discussing these questions. These kinds of people, as well as the general citizens, should have something to which they can go to determine whether or not the water quality management board in their area, whether it is in a territory or part of a whole province, is adopting acceptable standards.

I suppose, Mr. Speaker, it would be a case of the tail wagging the dog if we were to spell out in the bill the kind of standards which should, in the opinion of Parliament, be acceptable all across Canada. I would like to come back, Mr. Speaker, to the suggestion I made in the House before, that what we need is an independent body somewhere. I made a suggestion, when I spoke on this several years ago, that this independent body should be set up and work in close connection with the National Research Council, in much the same way that our building standards code is constantly up-graded according to the findings of the research division of the National Research Council.

Apparently, the thinking of many people in the present government is against that approach, but I think that sooner or later experience is going to demonstrate the need for that kind of independent, forward-looking body. Then, the citizens of this country, whether they are in the Yukon, the Northwest Territories, British Columbia or Newfoundland can judge the performance of the various boards that may be managing the water areas in their part of the country.

Mr. Chrétien: If the hon. member would permit me to make a remark, I would like to say there was that kind of yardstick—

Mr. Deputy Speaker: Order. I am afraid that this procedure is a little unorthodox. We are not in committee of the whole. Much as the exchange between the minister and the hon. member for Comox-Alberni is interesting, we might avoid this until we get to committee stage.

Mr. Barnett: Mr. Speaker, I have no objection to the minister asking a question.

Mr. Deputy Speaker: If the minister wants to ask the hon. member a question, that is all right.

Mr. Chrétien: I can ask it in the form of a question. Is the hon. member aware that on the question of the land and other resources in the north my department has formed a tripartite committee with people representing the conservationist interest, another group representing the mining interest or the oil interest, and the department, all working together to analyse these problems?

Mr. Barnett: Mr. Speaker, I am not aware of all the details of the activities that the minister has in the north, but certainly the point he has made is not one with which I would quarrel. This is really bulwarking the argument I am attempting to present, that when these various committees, advisory committees, tripartite committees, or what-have-you are working we should have some kind of yardstick by which they can go. For instance, how are they to know what is the proper quality of water management for a given purpose?

I have had discussions with the minister's colleague, both formal and informal, with respect to the act that is to apply generally across Canada. And his colleague, erroneously I think, assumes if you are talking about pollution standards you are talking about something that is fixed and rigid in every circumstance across the country. This means that the quality of water in Hamilton harbour would have to be the same as the quality of water in Lake Louise. This is obviously nonsense, and nobody is suggesting anything like that.

All I am saying is that we are developing all these various management areas but we are not setting up any kind of independent machinery to keep them all pulling together instead of pulling and pushing in different directions. Whether one is talking about dog teams or horse teams, it is usually useful to have them all pulling in the same direction. In my view this is one of the deficiencies in this bill, as it is in the other one, that there is no provision made for that kind of thing.

Well, Mr. Speaker, I suppose there is no point in my pursuing this matter because it is very much the subject of discussion in connection with the other bill in the name of the

Minister of Energy, Mines and Resources. But I think it is important we should realize that the same questions are involved in this one.

• (4:20 p.m.)

The hon. member for Peace River did touch on a matter which I think is of some significance and that is the question of participation by the people living in the territory. This bill, as has almost any piece of legislation that has come before us dealing with the Yukon and the Northwest Territories, brings up the question and the right of the people to self-government. I must say in this connection that I agree with the position suggested by the hon. member for Peace River. I suppose one could welcome the fact that there is at least a gesture in the bill towards consultation with the council of the territories.

Mr. Chrétien: The board is to be located in the north.

Mr. Barnett: This is another gesture and none of us would quarrel with it. Quite properly, the board should function in the north and in each of the respective territories.

Before the bill goes much further I think the minister should consider whether it would not be wise to allow the council to pick one member, so that they may feel they have someone of their choice on the board. This would be a fairly modest proposal compared to some of the suggestions heard from the people in the north. As the bill is worded, the only requirement is that the commissioner, who is an appointee or agent of the minister, merely has to consult with the council about an appointment to this board.

If one reads some of the literature about the gradual involvement of the north, the Carrothers Commission report and so on, it seems to me that acceptance of the idea of at least one of those people being an appointee would not be going a bit beyond being realistic in meeting the desires for self-determination of the people of the north at this stage.

There are, of course, many aspects of this bill that one could seek to develop at this stage but I have attempted to touch on one or two that appeal to me as being of significance in the broad discussion. I have tried to relate my remarks to the question raised in the minister's speech and also in the speech of the hon. member for Peace River who preceded me. Having said that, I am prepared to resume my seat and let other members who wish to participate in the debate have their say.

[Mr. Barnett.]

Mr. Louis-Roland Comeau (South Western Nova): Mr. Speaker, I have examined Bill C-187 quite closely and I want to tell the minister that if I am being critical it is not a personal attack on him but rather because, as I shall point out, I feel that this bill is redundant. I have come to this conclusion as a result of the hearings before the committee, of which I am a member, studying the Canada Water Act.

I should like to begin my remarks by simply asking a question: what is going on with this problem of water management in Canada? We have the Canada Water Act, to which amendments have already been proposed, and we are assured that an Arctic pollution bill is coming up. Last week the Minister of National Health and Welfare (Mr. Munro) proposed a clean air act. Then, the Minister of Fisheries (Mr. Davis) speaks of amendments to the Fisheries Act and the Minister of Transport (Mr. Jamieson) talks about a bill to control oil pollution. All these departments are talking about water and the pollution of it. We have the Agricultural Department banning pesticides in order to control our polluted waters and we are assured of legislation or regulations to ban phosphates. Now we have the Department of Indian Affairs and Northern Development getting into the act.

According to my research, Mr. Speaker, there are at least 15 departments or Crown agencies or research councils etc. concerned with water and the pollution of water. What is going on? There is no question in my mind that Bill C-187, an act respecting inland water resources in the two territories, is an anti-pollution bill. If it is and it deals with the waters of the territories, then I say it is a redundant bill because the Canada Water Act already covers the same ground. Section 9 of this bill provides for the conservation, development and utilization of the water resources in the north. The stated purpose of the Canada Water Act also provides for the conservation development and utilization of water resources of all of Canada. Section 9 of Bill C-187 and the title of Bill C-144 which reads, "An act to provide for the management of the water resources of Canada, including research and the planning and implementation of programs relating to the conservation, development and utilization of water resources", are identical and that is why I say the bill is redundant.

Does the Canada Water Act, Bill C-144, include all Canadian waters? Does it? Section 11 of the Canada Water Act to—

Mr. Ricard: To educate.

Mr. Comeau: —to educate the members, a good suggestion by the member for St. Hyacinthe, reads:

11 (1) Where, in the case of any interjurisdictional waters,

(a) the water quality management of those waters has become a matter of urgent national concern, and

(b) the Governor in Council is satisfied that all reasonable effort has been made by the minister to reach an agreement under section 9 with the one or more provincial governments having an interest in the water quality management thereof, and that those efforts have failed, the Governor in Council may, on the recommendation of the minister, designate such waters as a water quality management area and authorize the minister to procure the incorporation of a corporation without share capital—

• (4:30 p.m.)

To me this means that the Canada Water act gives jurisdiction with respect to the territories, because it is concerned with all waters of Canada and the government, under that legislation, can act unilaterally in the control or management of our waters. It authorizes the Governor in Council to exercise pollution control over our federal waters, and there is no necessity for federal-provincial consultation. I, therefore ask the minister again, can the government under the Canada Water act not act unilaterally in the management and control of Canada's waters? If the Minister of Energy, Mines and Resources has authority so to act under Bill C-144, why do we need to introduce Bill C-187? Clause 3(1) of Bill C-187 makes it clear that the waters of the Yukon and Northwest Territories are federal waters. But these are also federal waters according to the provisions of Bill C-144. What, then, is the purpose of introducing Bill C-187?

In speaking on second reading of Bill C-144, the Canada Water act, the Minister of Energy, Mines and Resources said that act is to be the basic policy instrument relating to all federal water programs. His remarks are recorded in *Hansard* of November 20, 1969, at page 1043. This is what he said in part:

The Canada water bill is put forth as the basic policy instrument for all federal water programs, and I think hon members will agree that we must assure ourselves that by our best efforts here in this House, and in committee, we bring forth the best legislation we can conceive in this complex and often highly technical field.

The Minister of Energy, Mines and Resources clearly thinks that the Canada water bill, when passed, will apply to all federal waters. Since, according to clause 3 of Bill C-187, the waters of the territories are federal waters, there is no need for Bill C-187. Does the bill give new authority to the government? Does it give the government authority it does not already possess under other legislation? I do not think so. I do not see the necessity for this bill, and particularly for those parts that purport to deal with pollution. Again I ask, what is the purpose of the bill?

I do not wish to be too critical of the minister but to me it appears simply a political gesture on his part or his department's, in order to let the territorial governments participate in pollution control matters, especially since they were disappointed with the constitutional changes of last fall. If the purpose of the bill is merely to give the territorial governments a voice in these matters, I submit that it is redundant. If this matter is not spelled out clearly in the Canada water bill, an amendment may be introduced to it to give those people the Minister of Indian Affairs and Northern Development is concerned about a voice in these matters.

Further, this bill is redundant because it seeks to do exactly what the Canada Water Act was designed to do. Of course, the Minister of Indian Affairs and Northern Development probably has some reservations about the Canada Water Act, as my party has and as many others have. That could be a valid reason for introducing this bill. Probably the minister does not believe that the Canada Water Act will be effective in managing the waters of the territories. Another valid reason for introducing this legislation might be his opinion that the Canada Water Act is inadequate, inefficient and too cumbersome to be effective in controlling water pollution. Perhaps the minister feels that only by introducing this bill can the waters of the north be protected.

Clause 2(2) of this bill deals with water diversion. The Minister of Energy, Mines and Resources says Canada's waters are not for sale; however, the Prime Minister has been saying that we should not be too possessive with our national waters. Who is right? Are we really speaking with one voice, as the Minister of Energy, Mines and Resources suggested today? The question of water diversion comes under the heading, especially with respect to northern waters, of a water quality management program. This program is the essence or root of the Canada Water Act which is concerned about the quality, quantity and management of our waters. As I say,

that exactly is the purpose of the Canada Water Act. I therefore ask again, why is this bill being introduced?

[*Translation*]

Here again, I have nothing to say against the minister on that matter but the Minister of Fisheries and Forestry (Mr. Davis) has no confidence in Bill C-144, concerning water management. It is obvious now that Bill C-144 regarding the management of the water resources of Canada cannot cope with all the problems in the North and the complex problems of Canadian waters. Here is exactly the position adopted by our party in this regard. The only reason I can see why the minister introduced this bill is that he places no reliance on Bill C-144, no more than the Minister of Fisheries and Forestry for that matter.

[*English*]

The definition of water, according to clause 2(l) is as follows:

"waters" means waters in any river, stream, lake or other body of inland water on the surface or underground in the Yukon Territory and the Northwest Territories.

Does this pertain simply to fresh water, or does it include any waters inside the boundary lines, as suggested by the Secretary of State for External Affairs (Mr. Sharp) the other day? The bill is poorly drafted, because it does not say what it means. Is this bill supposed to be the one dealing with Arctic pollution? Obviously, the government does not know how to tackle our water management problems, including that of pollution. Look at the bits and pieces of legislation this government has introduced! We have objected to that during the past five months. Look at all the amendments to existing legislation that will have to be considered. Obviously, government members do nothing during the summer recess except go on holiday.

The problem this bill seeks to deal with has been with us for a long time, but the government is not making a concentrated effort in this field. Instead, it is simply bringing in bits and pieces of legislation. The government has not looked at the total problem of pollution and water management. It acts on impulse. One matter after another comes up. If a bill dealing with pollution is defective, an amendment is brought in. Now, the government is concerned about phosphates; soon it may deal with other forms of detergents. At present we are concerned about the north, and so it goes. Why does the government not do a good job and do it once? I, therefore, say that this bill is redundant; it is useless and we will oppose it. Furthermore, it is an insult to the efforts of the Minister of Energy, Mines and Resources.

[Mr. Comeau.]

• (4:40 p.m.)

Mr. R. J. Orange (Northwest Territories): Mr. Speaker, I do not want to take too much of the time of the House discussing this piece of legislation before us today. However, I would like to say I welcome the initiative of the Minister of Indian Affairs and Northern Development (Mr. Chrétien) in bringing forward this inland waters bill relating to the Yukon Territory and Northwest Territories.

I believe, contrary to the emotional outburst of the hon. member who has just taken his seat, that the bringing forward of this piece of legislation is a recognition on the part of the government that the northern territories, both the Yukon and Northwest Territories, some day in some way will develop into provinces of this country.

This bill is the other side of the Canada Water Act. It complements the Canada Water Act. It provides in the Northwest Territories and Yukon Territory implementation of the Canada Water Act in the same way as we would in Ontario through provincial legislation. In this respect, there are other regulations and legislation which apply exclusively to the two northern territories. I am thinking now of the Oil and Gas Conservation Act passed by the House last year; the Yukon Placer Mining Act and many other acts which affect the resources of northern Canada.

As I read this inland waters bill, it is not intended primarily to examine the question of sovereignty because it applies to the waters within the mainland of the Arctic islands. We have all expressed our own views with regard to the issue of sovereignty. However, I see no way that this piece of legislation is related to the question of sovereignty over the waters of the Canadian Arctic.

By virtue of introducing this act, and bringing it into effect we will be able to control the use and development of the water resources of these areas in northern Canada. I acknowledge the minister's initiative in this respect because, in the past, these waters could have been subject to misuse had there been economic development. We have the example of Yellowknife Bay where the people were concerned every spring because of the arsenic run-off from two gold mines in the area. As Yellowknife grew, there was a need to find a new supply of water in co-operation

with the territorial government and the mining companies concerned. Fortunately, a water supply was found not too far away. This is an example of what might have happened on a large scale had there been more economic development than has existed up to this time. The bill will provide the vehicle to ensure that the question of social benefits, the control of the ecology and economic development all go hand in glove and that they work to the benefit of the people who live in the north and to all other Canadians.

I wish to comment on one aspect of the bill which was referred to by the hon. member for Peace River (Mr. Baldwin), that is the form in which the proposed boards are established. I agree with the hon. member when he says there is no money provision in the bill regarding civil servants. I like to think there is a room in a water planning board to include people from outside of the Civil Service, be it federal or territorial. I hope when the minister is replying to the members who have spoken on this particular bill he will be able to give us some indication of his thinking. In my view, it is important to include a private sector in planning for the use of our water resources.

In my opinion this bill is long overdue. I hope the Standing Committee on Indian Affairs and Northern Development will study this bill and recommend to this House that it be passed with a minimum amount of delay. As our water resources in northern Canada are brought under development by this bill, it will be an example to the rest of Canada for the appropriate use of the waters of our nation.

Mr. P. B. Rynard (Simcoe North): Mr. Speaker, I wish to make a few comments regarding Bill C-187. It seems that this House suffers from a situation where we have a constipation of ideas, a diarrhea of words, and an effluent of bills. Recently the Canada Water Act was passed, a national water act. Surely, this act applies with equal force in the Yukon and Northwest Territories. The bill did not exclude the Northwest Territories or Yukon. Now, we have another bill being presented. I wish the Minister of Energy, Mines and Resources (Mr. Green) would explain why we need this bill. In what particular area do we need this bill? What do we need to cover that is not covered in the Canada Water Act? Was the Canada Water Act not properly drafted to cover this particular area? It is of great concern that bureaucracy after bureaucracy is being built up. Parkinson's and international law find the money and you will find a way to spend it.

It is interesting to note that both the chairmen and vice-chairmen of the two boards are going to be appointed by the government and that civil servants will be sent to that area to administer this act. This is a build-up of a complete dictatorship. What takes precedence: the Canada Water Act or Bill C-187.

Mr. Chrétien: Read the bill.

Mr. Rynard: I have read the bill, Mr. Speaker. I think if the government had studied the bill more carefully the minister would not be bringing it forward today. It is redundant and is just adding more expense and confusion to the whole situation.

I was interested to hear the minister talking about what past governments had done and about the great production in the gold mines. Those of us who have been in the House long enough remember how the liberals of that day had us sliding from igloo to igloo. It was the vision of the Diefenbaker Conservative government that brought in the Roads to Resources program and built the Pine Point railway which brought mining to the point where the minister can quote figures today of $30 million production. The north is opening up and is taking on greater importance. The record should be kept straight. It was the Pine Point railway, the Roads to Resources program and other things which have developed the north.

I agree that water in the north is a very important matter. If we look at a map of Canada we see that nearly all our waters flow into the Arctic. All of our main rivers flow north, even from the United States border. They all flow into the Arctic Ocean or Hudson Bay. It is a great resource area containing oil, water and minerals which must be developed further. We must take stock of those resources and we must take stock of pollution of those waters. If we pollute those waters we will not have pure water for our own use. Selling water, of course, would then be out of the question.

There are different problems to be faced in the north. There is perma-frost and the disposal of waste is not as easy as in areas where a bulldozer can scoop out pits and septic tanks can be installed. This is a difficult problem in the north. Ground pollution does not run away or, if it does run away, it runs into the lakes and rivers and pollutes them. Again, I return to this question: why does not the Canada Water Act cover the

situation? Indeed, I wonder why there should be any need for two boards to be set up. Why set up two boards when the necessary machinery already exists under the terms of the Canada Water Act?

• (4:50 p.m.)

I will ask the Minister of Mines, Energy and Resources a further question: when the government sets up a designated area and makes a grant to industry there, is any inquiry made beforehand into the nature and extent of the effluent which the industry is likely to discharge? Or does the government go ahead and grant money without taking this factor into consideration? I shall be interested to hear the minister's reply, because I think this is an important point.

Another interesting facet of this situation is that rivers in the Arctic flow from south to north, and the centres of population decrease in size as one travels north. If the water flow is reversed, what measures, will be taken to deal with contamination? I hope all these points will be considered in committee because they are of great practical importance.

Again, I confess I cannot understand the necessity for this bill. Sitting here in the House of Commons year after year we see a multiplicity of bills put forward for consideration. We see them brought in when other legislation already on the statute books could cover the situation, or be made to cover it with the addition of one or two clauses. Surely, the Canada Water Act could have covered any need which may arise in this case. Why set up a new branch of bureaucracy within the government when machinery already exists to accomplish the minister's purpose? I agree that this bill should get a hoist until we are able to go into these questions in greater detail, and think them out. For these reasons, I believe the amendment to be worthy of support.

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, it has been pointed out by a number of my hon. friends that this bill appears to contain several shortcomings. On the face of it, the measure seems to be innocuous. Some of us, bearing in mind the provisions of the Canada Water Act, do not understand the purpose of it at all except for one possibility which has been mentioned by my hon. friend from Peace River.

What bothers people who have been around here for a little while is this: to those who take these innocent-seeming measures at their face value, we say "You don't know Nellie like we do." At any rate, the minister seems to think the bill is important enough for him to attend personally in the House, and this being so some of us begin to think there must be a fish hook in it somewhere. My hon. friend from Calgary North asks which minister I am talking about. I am referring, of course, to the Minister of Indian Affairs and Northern Development (Mr. Chrétien). This bill, which appears so innocuous, is not, I suspect, so innocent. The National Parks bill, which appeared to me to be quite important, was evidently not regarded by the minister in the same light.

To return to the bill itself. The government proposes to establish two appointed water boards, one in the Yukon and the other in the Northwest Territories, to provide for the conservation, development and utilization of the water resources of the Yukon Territory and the Northwest Territories. Either of these boards, together with the Minister of Indian Affairs and Northern Development, may recommend to the Governor in Council that certain waters be designated as water management areas and that for these areas priorities of water use and standards of water quality and management may be prescribed. The bill goes on to forbid anybody to dispose of any waste in waters of the Territories except where regulations under the Act permit it, or licence for such water use has been granted by the appropriate water board or where authorization has been given under the Canada Water Act. The minister may appoint inspectors to see that these rules are complied with. All this, as I say, appears to be very innocuous. One cannot see why the House should have been troubled with it, taking into account the legislation which has already been put forward.

In his remarks a little while ago the minister made a brief reference to the reason for this bill in relation to the Canada Water Act. He was kind enough to send me a copy of his speech, so I can quote him with some accuracy. He said: "As hon. members know, the Canada Water bill is intended to protect the national interest and protect water resources throughout Canada. The Canada Water Act assumes that strong regional water authorities exist in the provinces and the territories, and this is the means whereby the federal government can co-operate with provincial and territorial water authorities in a comprehensive planning and management process." That is fine. We do not disagree. The question which

was asked by my hon. friend from Simcoe North (Mr. Rynard) remains. Why is there any need for this bill? There is nothing in the Canada Water Act which does not cover the situation except for one little item later on to which I shall refer in due course. Perhaps the law officers of the Crown can tell me, through the minister, why the conservations boards could not be set up under the present statutory provisions covering the Yukon and the Northwest Territories.

May I call it five o'clock, Mr. Speaker?

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Deputy Speaker: It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised at the time of adjournment tonight are as follows: the hon. member for Hillsborough (Mr. Macquarrie)—Economic Council—Reduction of permanent secretariat; employment of outside consultants; the hon. member for Moose Jaw (Mr. Skoberg)—Grain—Advice to rapeseed producers respecting markets; the hon. member for Spadina (Mr. Ryan)—National Defence—Condition of fall-out shelters.

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.

PRIVATE MEMBERS' PUBLIC BILLS

CRIMINAL CODE

AMENDMENT TO RAISE AGE OF YOUNG OFFENDERS

Mr. Eldon M. Woolliams (Calgary North) moved that Bill C-27, to amend the Criminal Code (Young Offenders) be read the second time and referred to the Standing Committee on Justice and Legal Affairs.

He said: Mr. Speaker, of all the speeches I have ever delivered in this chamber and, of course, I have delivered quite a few, I do not think any has given me a bigger thrill than the opportunity, after a number of years, to recommend to the House the bill standing in my name with reference to the amendment of the Criminal Code.

I might say in passing, as an introduction, that I am still convinced, and I hope I am right, that the environment of our young is just as important as heredity. On a personal note this is probably the reason part of my family was adopted. I believe home environment is very important. That is why we must set the proper tone.

• (5:00 p.m.)

If I may come now to Bill C-27, I am proposing to amend section 12 of the Criminal Code and also section 13, and to add a brand new section 13A. The amendment to section 12 will raise the age at which a child may be charged and convicted from seven to 12 years. Section 12 of the Code presently provides:

> No person shall be convicted of an offence in respect of an act or omission on his part while he was under the age of seven years.

This section means that any child seven years of age or over can be convicted of an offence. Surely, no child under 12 years of age should be convicted of an offence under the Criminal Code. The new section 13 that I am proposing will provide that no child between the age of 12 and 16 years shall be convicted unless he was competent to appreciate the nature and consequence of his conduct, and, above all, to appreciate that it was wrong. The onus of proving that is on the crown.

My new section 13A, which I should like added to the Criminal Code, would abolish the incarceration of children in penitentiaries at the tender age of 12 or 13 years. The section would provide that no person under the age of 16 years can be sentenced to imprisonment in a penitentiary, but should be sentenced to a term at an industrial school or rehabilitation centre.

As late as December 31, 1963 there were in Canada 45 children 16 years of age or under in our penitentiaries, and there were 386 under the age of 18. The latest statistics published by the Dominion Bureau of Statistics show that there were two people in prison at that date of 15 years of age, 16 of 16 years of age, 136 of 17 years of age, 236 of 18 years of age, and 364 of 19 years of age. The next group of figures show there were 1,898 people in jail between the ages of 20 and 28 as of December 31, 1968. As I say, these are the latest figures available from the Dominion Bureau of Statistics.

What was the recommendation made by the report submitted by the Department of Justice committee on juvenile delinquency which was set up by a former minister of justice,

the Hon. Davie Fulton? From the summary of the recommendations in the report I wish to quote recommendations 7 and 8. To save time, Mr. Speaker, I will summarize them, but they appear at page 284 of the report. In effect, they endorse the amendment that I have now put before the House. I take some pride in having placed this bill before the House prior to the committee's study of the subject and the submission of its report.

Perhaps I might be permitted to add recommendations 7 and 8, and also paragraphs 118 and 119 of the summary, to my speech, because they will confirm what I have said. This is in an effort to save time, as I understand many members have asked to speak and I want to keep my remarks short. I would, therefore, ask the consent of the House to add as part of my speech recommendations 7 and 8 and also paragraphs 118 and 119 of the report.

[*Translation*]

The Acting Speaker (Mr. Béchard): Order. The procedure suggested by the hon. member has never been encouraged by the Chair for many reasons. First, because of the length of certain texts and also because of the translation problem.

[*English*]

Mr. Woolliams: In 1964, after some years of research and, indeed, anxiety about the youth of the nation, I put a number of questions on the order paper, and these were answered at page 4282 of *Hansard* for June 15 of that year. I asked:

1. When will the construction of the Drumheller penitentiary (institution for young offenders) commence?

2. Will this institution be especially designed in every regard for the purpose of rehabilitating young offenders and, if so (a) what is the plan in this regard, and (b) what program will be followed?

3. From what provinces will young offenders be placed in the institution?

4. How many young offenders, under 21 years of age, are now incarcerated in penitentiaries in Canada?

5. How many are incarcerated under 15 years of age?

6. What age is the youngest prisoner in Canada?

I might say at this point that it was the Conservative government under the present right hon. gentleman for Prince Albert (Mr. Diefenbaker) that started this project of rehabilitation. I think I can take some credit for it as I made many speeches and representations to the then Minister of Justice and Prime Minister of this nation with regard to a new penitentiary or rehabilitation center at Drumheller, nicknamed "Eldon's House" by a very able lawyer in Calgary, a cousin of the Horner brothers, Milt Harradence.

The answers to my series of questions were as follows:

1. The construction of the Drumheller institution is expected to commence in October 1964.

2. The Drumheller institution has been designed specifically in every regard for the purpose of rehabilitating young offenders.

(a) The plan is to construct an institution of medium security based on the principles of the most up to date concepts of the correctional process, which will incorporate the required facilities for young offenders from western provinces and certain selected adult first offenders.

(b) The program will be based on the principle of individual attention, using diagnostic processes from social, medical and psychological points of view; and will include the following elements: education, vocational training, religious observance and spiritual guidance, social education, (citizenship training), physical education and recreation, cultural activities and hobbycrafts guidance and counselling.

This institution is now doing a wonderful job rehabilitating people who are on day parole.

At the time I asked the question there were 1,091 inmates under 21 years of age incarcerated in penitentiaries in Canada. One inmate was under 15 years of age; and the youngest prisoner in jail at that time was a child of 14.

The next question we should ask ourselves is: What is the criminal responsibility of children under the law at the present time? In this regard do we have to wait for the law reform commission proposed by the Minister of Justice (Mr. Turner) to make recommendations? This relates to my proposed amendment to section 12. I have raised the age from seven years to 12 years; and my section 13 raises the maximum age to 16 years, rather than 14 years, and provides that the child must be competent to know the nature and consequence of his conduct and to appreciate that it was wrong before such person can be convicted. The onus of proving this is on the crown.

I have prepared a brief on the Criminal Code of Canada, part of which deals with pages 27 and 28 of Crankshaw's Criminal Code of Canada. I should also like to add these pages as part of my speech because there the law is clearly set out. The onus is on the crown to prove guilty knowledge in cases where a juvenile or young offender is charged with an offence. Therefore, I should like to add these paragraphs extracted from the Criminal Code of Canada to my speech.

The Acting Speaker (Mr. Béchard): I shall have to repeat what I said to the House, in the other official language namely that the procedure suggested by the hon. member is one that has always been discouraged by the Chair.

Mr. Woolliams: With the greatest respect, Mr. Speaker, in view of the nature of this bill I ask for consent of the House to my request.

The Acting Speaker (Mr. Béchard): I understand there are several reasons for this reluctance, among them the length of the extract in question, and also the problem of translation.

An hon. Member: Read it.

Mr. Woolliams: It would take too long to read, but the extract does set out the responsibilities. This to be found at pages 27 and 28 of Crankshaw's Criminal Code and is there for anyone to read. I do not want to go into the detail of this; it is merely a statement of the law.

The Code provides in section 139 that no child under the age of 14—there are exceptions which I want to make sure are understood—can be convicted of rape, attempted rape, the seducing of a female between the age of 14 and 16 or seducing a female who is of previously chaste character. Sections 136, 137, 138 and 142 prohibit any person under the age of 14 from being charged with the commission of an offence.

Sir William Blackstone (1723-1780), in his Commentaries on the Laws of England, made this statement:

> It is better that ten guilty persons escape than one innocent suffer.

What is prison like for young people? I think I could describe prison life for young offenders in the words of Byron's great "Sonnet on Chillon", one of my favourite sonnets which I know by heart. This is particularly relevant in these days when our young people are running afoul of the law in their use of drugs, which constitute a serious social problem. Byron, that great poet with a great heart, said in his sonnet:

> And when thy sons to fetters are consigned—
> To fetters and the damp vault's dayless gloom.
> Their country conquers with their martyrdom, and
> Freedom's fame finds wings on every wind.

• (5:10 p.m.)

Pierre Berton put it in a nutshell in his article on "Canadian Justice", in the Star Weekly magazine of July 18, 1964 when he said:

> One by-product was homosexuality. Since young offenders were often dumped into prison compounds with old and hardened men, it was almost axiomatic that any youth entering prison (and there were children as young as 13 in Canadian penitentiaries in the 1960's) be forced into a homosexual alliance that could scar him for life.
>
> The same system of mixing the young and the old, the novices and the veterans, which was prevalent in many parts of Canada as late as 1964 made it easy for youths to learn the fine points of criminal technique before they were once more dumped, with few resources upon an unforgiving society.

Although we have legalized homosexuality, let us not legalize homosexual seduction of our youth.

Again in the *Weekend* magazine of February 23, 1963, Bill Trent, staff writer, wrote a story with information supplied to him by Allen J. MacLeod, Commissioner of Penitentiaries. Like the head of the Parole Board he is a real spirited public servant of our nation. I have referred to this article before in the House of Commons, and it refers to a boy called "Henri". It states:

> There are many sad stories about children in prison but the case of a twelve year old boy who will be referred to as Henri has gone down in penitentiary history as a classic.
>
> Henri had all the cards stacked against him. He was the product of a shiftless father and a prostitute mother, who had separated. In his short lifetime he had been in all sorts of trouble. He had been sentenced to reformatories and at one time had even been committed to a mental hospital.
>
> Then one night, during a period of freedom, he walked into the House to find his mother sleeping with her landlord. Furious, he picked up a can of tomatoes and hurled it at the man, striking him in the head. He was charged with assault.

This lad was convicted and sent to the penitentiary. This is a sad story particularly when you consider that this young lad could not be held in prison because he was so small he could squeeze between the bars at St. Vincent de Paul penitentiary. The officials tried to hustle him away to protect him. They even took up a fund to buy him a scooter, a toy construction set and a fleet of toy trucks.

This article really got me excited. Allen MacLeod described one warden as saying it was heartbreaking to listen to the children cry at night. Mr. MacLeod said they have no right to put children in the penitentiaries. He heads the committee on juvenile delinquency in Canada. He also says the right to put children in the penitentiaries is guaranteed by the Criminal Code which says that a seven year old child can be imprisoned if convicted of a criminal offence.

Since my attack in the House on this situation, and since I read this statement by Bill Trent in the House, quoting from his interview with Allan MacLeod, children have been, to some extent, removed from penitentiaries. They still can be convicted, and if a province does not supply rehabilitation centres, or alternate institutions, this legal right to put children in penitentiaries still exists.

I plead with the minister and with the House to remove the window dressing from reform and get on with the job; stop image building—images will be built if you reform, but it will take a lot of public relations firms to cover up for the sins of this generation when history is written. When the image builders are dead, the historians will pick the bones of the raw cold carcasses of this civilization and the truth will be revealed.

We naturally get enraged and become emotionally disturbed when we see children in the penitentiaries. If there are places of incarceration for convicted children, maybe the wrong people are in prison. Maybe it should be some of the parents who have deserted their children or the lawmakers. I doubt whether Henri's case will ever be duplicated, and God help us if it is. Dickens said "The law is a ass". Let us ride that donkey out of this Parliamentary pasture.

In October of 1959, a 14 year old young male, Stephen Truscott, was tried in an adult court and convicted. Do you know what the sentence was? It was that he was to be hanged by the neck until he was dead. This case was later on reviewed by the Supreme Court of Canada. A lot of water has gone under the bridge since then, but if this amendment of mine had been law they could not have tried him in an adult court.

Offences for infants should be linked together; offences for juvenile offenders should be studied by a carefully organized court made up of legal men, psychiatrists and, therefore, a solution should be forthcoming. They should not be tried by judges but rather by psychiatrists and psychologists who understand child psychology. I do not think a man who practices law and draws up mortgages necessarily understands the psychology of children.

I have said a great deal recently about young people, and the criticism from some people against my stand has been very severe, so severe that I wonder sometimes whether society has caught up with itself, or if we have to wait another generation for true understanding.

[Mr. Woolliams.]

It has been a great pleasure to present this bill. Mr. Speaker, I hope it will go to the committee for study. I will await for the committee report and its recommendations. Let us get our children out of jail and do away with these archaic laws which give this nation the right to place these children in these institutions.

Mr. D. R. Tolmie (Welland): Mr. Speaker, I should like to congraulate the hon. member for presenting this bill at this particular time. Although this bill would amend the Criminal Code in respect of the age limit for criminal responsibility in relation to the young offender, which amendment I believe to be most appropriate, the mere fact that this bill is proposed brings up the whole question of juvenile delinquency and the essential need for prompt and radical reform. I should like to deal briefly with the actual amendments proposed to this bill, and then touch upon the allied subject of reform to our laws dealing with juvenile delinquency.

The hon. member would eliminate Section 12 of the Criminal Code and put in a new section which, in essence, would provide that no person under 12 years of age shall be convicted. The former section stated that no person under 7 years of age could be convicted. In my opinion this law, in force for many years, should definitely be changed. For most of us it is hard to accept the fact that a child from 7 to 12 could be tried and convicted. This reform is long overdue and the amendment to Section 12 or one similar should be passed as soon as possible.

The next amendment relates to Section 13 of the Criminal Code which now reads:

> No person shall be convicted of an offence in respect of an act or omission on his part while he was seven years of age or more, but under the age of 14 years, unless he was competent to know the nature and consequence of his conduct and to appreciate that it was wrong.

This proposed amendment would retain this rule but increase the age from seven to 14, to 12 to 16. I agree this is a step in the right direction, but I feel this House should seriously consider eliminating this section altogether, as advocated in the report of the Department of Justice on juvenile delinquency.

As I understand the present section there is a rebuttal presumption that a child between seven and 14 was incapable of committing a crime. To establish criminal responsibility the prosecution was required to show that the child had sufficient moral discretion and understanding to appreciate the wrongfulness

of his act. As the Department of Justice report points out, there appear to be many valid arguments why this rule should be abolished altogether. First, the rule is difficult to apply. Many juvenile judges ignore it altogether while others differ in the degree of proof that is required. Second, background information which is not properly before the judge until after a finding of delinquency is made is sometimes reviewed at the adjudication stage for the purpose of making a determination required by the rules. Third, the similarity in wording between Section 13 of the Criminal Code and the operational test for insanity has apparently caused some confusion. Four, the rule was formulated at a time when there were no juvenile courts. Five, it is important to note also that the presumption weakens with the advance of the child's years toward 14. Its principal value is in connection with proceedings against offenders who are very young. A proposal to raise the minimum age of criminal responsibility would further diminish the need for this particular rule.

Therefore, in summary, although the hon. member is moving in the right direction by his proposal to increase the ages for this rule, in view of the foregoing arguments perhaps it would be preferable to eliminate Section 13 completely. Personally I am especially keen on amendments of this type because if passed there would be fewer convictions of juveniles. As one who is intensely interested in the aftermath of a conviction I believe an amendment of this nature should be passed. On many occasions I have been apprised of the injurious consequences of a criminal record. Not only does it scar the soul for years, not only is it an insidious social stigma, but it has fearful economic consequences. People with criminal records in many cases cannot enter the public service; they cannot enter the armed forces; they cannot be bonded; they have difficulty in obtaining various types of licences and above all they have difficulty in securing employment. If these proposed amendments in any way decrease the number of young offenders suffering a conviction, then for that reason alone I submit they are worth while.

• (5:20 p.m.)

Now, turning to the third amendment which in essence says there should be no imprisonment in a penitentiary for persons under 16 years of age, I wholeheartedly approve of the intention of this particular reform. I have seen prisons, such as St. Vincent de Paul and Kingston. Certainly, no boy under 16 years of age should be incarcerated in these institutions. The penitentiaries have hardened and twisted prisoners. If a boy were exposed to prisoners of this type he could suffer irreparable harm. If we are really interested in rehabilitating the young offender, surely he should not be placed among professional criminals who are only too eager to teach an impressionable young offender the sophisticated art of their trade.

The question is whether this amendment, although well meaning, will carry out the intention of the hon. member who has moved it. Firstly, since under the Juvenile Delinquents Act all persons under the age of 16 years who are charged with an offence appear in the first instance before a juvenile court, clause 3 of Bill C-27 would be applicable only in those cases in which the juvenile had been transferred to an adult court in accordance with section 9 of the Juvenile Delinquents Act. That section may be applied where the child apparently or actually is over the age of 14 years, where the offence is an indictable one, and where the juvenile court considers that the good of the child and the interest of the community require referral to the adult court. If this amendment were passed a person under the age of 16 would upon conviction, for example for murder, be sent to an industrial school in the province. There, he could be confined only until he reached age 21 at which juncture he would be returned to society.

A further consideration is that clause 3 deals only with those offenders who would otherwise be sentenced to imprisonment in a penitentiary. The clause does not apply to a person under the age of 16 years who receives a sentence in an adult court for less than two years. Such persons, unaffected by the proposed legislation, accordingly would be required to serve their sentence in a provincial jail. Such a result would appear not to be equitable since the more serious offence would result in confinement to an industrial school while the less serious offence would result in confinement in jail.

It should not be forgotten that there are now special provisions in the Penitentiaries Act dealing with those who have been sentenced or committed to penitentiary who are under age 16. By subsection (1) of section 21 of the Penitentiaries Act they cannot, except by special direction of the Commissioner of Penitentiaries, be confined in association with persons over age 21. Further, by subsection

(2) of section 21 the Commissioner of Penitentiaries may, in the case of one under age 16, authorize his transfer from a penitentiary to a provincial institution in the same region if that institution is operated for the custody and training of persons under age 21.

I certainly feel that the proposal in clause 3 sets out what society wants in respect of the incarceration of a child under 16 years of age. I certainly endorse this sentiment. With some refinement of this clause it might be possible to carry out the intention of the mover, but perhaps it would be better to amend the Penitentiaries Act so that it will clearly and unequivocably state that under no circumstances shall a person under 16 years of age be imprisoned in a penitentiary. This I understand is the intention of the previous speaker. We are indebted to the hon. member for introducing this bill because he has focused attention on a most important question, the whole question of juvenile delinquency. This is a most urgent national problem as shown by the fact that in Canada in 1964, 17,000 children under age 16 were adjudged delinquent.

It cannot be emphasized too emphatically that the most productive stage at which to tackle the subject of adult criminals is the stage at which the young person is most vulnerable and exhibits delinquent tendencies. Juvenile delinquency is one of the most distressing and important social problems of our time. Delinquent children, their families and the state, which in the end bear the costs, are gravely affected. The cost of maintaining the offender in a training school for one year as a juvenile delinquent, and in jails and penitentiaries for 13 years as an adult, is over $17,000.

Aware of the gravity of this problem the government, through the Department of Justice, appointed a committee on juvenile delinquency. This committee produced a very comprehensive and far reaching report with a series of 100 recommendations. Copies of this report are available in the Department of Justice. I would recommend it to hon. members as very worth while reading. Among its many suggestions the report advocates additional facilities, more juvenile court judges and social agencies and different hearing and sentencing procedures. It strongly recommends—and personally I heartily endorse the recommendation—the abandonment of the term "juvenile delinquent" and the substitution of the term "child offender" and "young offender".

[Mr. Tolmie.]

There is a constitutional allocation of power between the federal government and the provincial governments with regard to juvenile delinquency, but this divided jurisdiction must not be used as an excuse or an impediment for not implementing many of these long overdue and beneficial reforms as soon as humanly possible. Preventive action does not receive the high priority in the battle against crime that it warrants. In the field of juvenile delinquency, although the government has made an auspicious beginning by producing this report, it will be of little avail unless the federal and provincial governments co-operatively implement many of its suggestions. I am very pleased that the Solicitor General (Mr. McIlraith) is undertaking an exhaustive review of our laws on juvenile delinquency and will be introducing a young offenders bill. A modern revised act incorporating new ideas on child behaviour and the sociological problems besetting our infants should be of great assistance in this continuing fight against juvenile delinquency.

In conclusion, I urge the Minister of Justice (Mr. Turner) to consider these amendments which are now before the House when he brings in extensive amendments to the Criminal Code at a later date. In any event, I believe that amendments of this type should be referred to the Committee on Justice and Legal Affairs. Again, I congratulate the hon. member for bringing these amendments before the House.

Mr. Woolliams: Mr. Speaker, I wonder whether the hon. member would permit one question. I liked his speech and his suggestions. As chairman of the Committee on Justice and Legal Affairs, would he be prepared to have this bill examined by the committee in the same way other bills have been examined in committee? Would he make that recommendation.

Mr. Tolmie: Mr. Speaker, as chairman of the committee I would be delighted to have this matter referred to the committee. I do not think it is within my ambit to authorize this. I would like to see it referred to the committee and will do everything possible to facilitate its referral.

Mr. Woolliams: Thank you very much.

Mr. John Gilbert (Broadview): Mr. Speaker, I should like to commend the mover of this bill, the hon. member for Calgary North (Mr. Woolliams), for bringing it forward at this time. From my personal experience I know

the hon. member to be a man of authority, compassion and with an interest in social justice. We all are proud that he has brought forward Bill C-27 at this time. As a member of the Standing Committee on Justice and Legal Affairs I should like to say that I do not think we should waste much time in bringing this bill before the committee for study. I would hope also that the committee would report and that the report would be implemented. I notice that the Parliamentary Secretary to the Solicitor General is in the House. I hope he will suggest to the Solicitor General that it would be most unfair and unwise at this time to allow this bill to be talked out. I believe the motion should be passed and the bill referred to the standing committee.

• (5:30 p.m.)

Having said that, I am also in agreement with the intent and the purpose of the amendments to section 12 and section 13, and the new amendment to section 13(a). These have been long overdue. It has only been by the persistence of the hon. member that we have them brought forth. Last year we had the opportunity to study and to pass the omnibus bill with regard to amendments to the Criminal Code, and after some persuasion I think the Minister of Justice (Mr. Turner) is contemplating another series of amendments to the code. We would like to think it is also in the form of either an omnibus bill or a mini-bill.

We have had the Ouimet Commission report with regard to criminal matters within the country, and recommendations have been made by it. I hope the Minister of Justice will bring forth a bill immediately with regard to arrest, detention, bail and uniformity of sentencing, to be followed by a bill by the Solicitor General (Mr. McIlraith) which, as the hon. member for Welland (Mr. Tolmie) said, would be a young offenders' act. I cannot be too critical of what has happened in that regard to date. I recall that a committee on juvenile delinquency was set up in 1961 or 1962 to study this matter and after four years they presented a report. That report was tabled in 1966. It contained many recommendations and we are still awaiting implementation of the recommendations in it.

It is all very well for the chairman of the Justice and Legal Affairs Committee to say we are bringing forth a young offenders' act, and I am sure he wants it. But we have to take action. The Solicitor General must bring it forth, and when he does I hope that either he or the Minister of Justice will introduce a mini-bill and incorporate the amendments that the hon. member for Calgary North has set forth.

The hon. member prefaced his remarks by saying that it is the environment which is so important with regard to youth today—the home environment, the church environment and the community environment. He became quite poetical, and rightly so, with regard to Byron. I could quote Byron myself; he is one of my favourite poets. He said, "Stone walls do not a prison make, nor iron bars a cage." We have learned from experience that the penitentiaries we have built have done nothing with regard to the reformation and rehabilitation of young offenders. Last Friday the Solicitor General presented to the House amendments to the Parole Act. They were just housekeeping amendments. Instead of bringing forth amendments which were of substance, he resorted to housekeeping amendments and last Friday we debated what should have been in that bill.

The hon. member for Calgary North has set forth the ages of young offenders who have been confined to penitentiaries. He pointed out that in 1968 there were two inmates, one 15 years of age and one 16 years of age, 136 inmates of 17 years of age, and so forth. Last Friday I pointed out that in 1967 we had four inmates 15 years of age; 15, 16 years of age; 62, 17 years of age; and 127, 18 years of age. I also pointed out that if you were to draw three broad categories of young offenders, from age 15 to 20 you would have 8 per cent of the population of our penitentiaries, from age 20 to 40 you would have 74 per cent and the balance would be men and women over 40 years of age.

We cannot overstress the importance of the treatment of young offenders up to age 16, and really up to age 21. It has been said in the Ouimet report that we should categorize young people up to age 18 as young offenders. As the hon. member for Welland has said, at no time should we call them juvenile delinquents. Possibly the delinquents have been the parents, the churches and the community organizations in not taking their full part in developing the character and moral values of these young people.

It is very important, Mr. Speaker, that we get uniformity with regard to age groups. It may be that the Ouimet Commission is right, that the first group should be young offenders up to 18 years of age. It makes my heart sick, Mr. Speaker, when I think of the provinces

across the country which have different juvenile delinquents acts covering young offenders of ages varying from 16 to 18 years. A young fellow 16 years of age in Saskatchewan will be brought into a juvenile court, whereas a young fellow 16 years of age in Ontario will be brought into an adult court and perhaps be tagged with a criminal conviction, which we know is very difficult to get rid of.

The hon. member for Calgary North has gone into the substance of these provisions. He pointed out how necessary and meaningful they are and what they contain. It would be very foolish for us to prolong this debate, talk out the bill and not give an opportunity for it to be referred to the Justice and Legal Affairs Committee. Therefore, I have made my remarks very brief. I hope other members of the House who participate in this debate will not speak right up to the end of private members' hour, but before that will give us an opportunity to vote on the bill and refer it to the Standing Committee on Justice and Legal Affairs.

Mr. Hyl Chappell (Peel South): Mr. Speaker, the last three members have all ably and eloquently expounded the subject. I agree in their condemnation of those things which are wrong. I agree that these wrongs should be righted as rapidly as possible. I do not think things are quite as bad as they are painted. There are many provisions today which are quite good, perhaps as good as we can get, which require explaining. In any event, I hasten to admit that as a member of the Justice and Legal Affairs Committee I welcome these various suggestions coming before us so that we can study them in detail and make recommendations.

If I may deal with the bill specifically for a moment, clause 1 provides that no person shall be tried for or convicted of an offence if he is under the age of 12 years. The law at the moment is seven years; obviously that is much too young. This bill would change the level of potential criminality from seven to 12 years of age.

The Department of Justice Committee on Juvenile Delinquency reported in 1967. I believe the age they recommended was ten years. I am not too concerned whether ten years or 12 years is the limit, because as I understand it all the provinces have an act, which we might call the protection of children act. There are undisciplined children who require control, and there would not be a vacuum because they could be looked after under the laws of the province.

[Mr. Gilbert.]

The second clause, which deals with onus, would change the provisions of the act applicable to offenders of the very tender age of seven to 14, to the age of 12 to 16. Under that clause it would be up to Crown counsel prosecuting the child to prove that the child had the mental capacity to commit an offence or that he knew the nature and consequence of his conduct and appreciated that it was wrong. That is a rather substantial step, Mr. Speaker. Whereas before we were dealing with offenders as young as 7 years old, now the age is between 12 and 16. Indeed, it is a very heavy onus on the Crown to prove—and the Crown does not have the power to force psychiatric or psychological examination—that a person did have the required mental capacity. I think in that respect the bill is perhaps going too far and is putting too great an onus on the Crown.

• (5:40 p.m.)

To explain my point, let us compare for a moment a child's position in a civil action. If a child is injured on a crosswalk or out of a crosswalk by a motor vehicle, at seven years of age he is quite often found capable of giving evidence, being examined for discovery and cross-examined at trial. He can, in fact, be found guilty of contributory negligence and as a result will forfeit part of the sum he would have recovered. We must also remember that a child of that age can give evidence and be cross-examined in a criminal case.

Clause 3 of the bill would provide that no person under the age of 16 years can be sentenced to imprisonment in a penitentiary—absolutely no one in Canada. Instead, he would be sent to an industrial school. With respect to the hon. member for Calgary North (Mr. Woolliams), there are some vacuums or loopholes if we proceed in this manner. Right now the juvenile court has exclusive jurisdiction over offenders up to the age of 16 years in some provinces, and higher in others. Ordinarily, with the exception which I will give in a moment, such children cannot be sent to penitentiary. So when can they be sent to penitentiary? If the juvenile court is dealing with an indictable offence, under section 9 of the act it may refer the child to an ordinary high court for trial. But that procedure must be followed only if the court is of the opinion that it is good for the child and/or is in the interest of the community.

There have been very few cases where they have proceeded against a child in the higher

court, but there have been some. For example, Mr. Speaker, a murder case is usually heard in an adult court. It is fine to say that a child aged 15 years, 364 days should not be tried in an ordinary court, but this is an example of where it would be possible for a child aged 15 years, 364 days to take an axe and kill his mother and father and then ask for leniency because he is an orphan. So there are some cases, Mr. Speaker, particularly where the young person is a repetitive offender, which I submit ought to be tried in the Supreme Court. As the law stands now, the judge of the juvenile court has authority to send them there if he so desires.

What happens to this person after trial? If he is tried in the Supreme Court they can keep control of him until they are satisfied he is fit for parole and can be rehabilitated into the community. But if he is tried as the bill suggests, he could only be confined, as I understand the law, until he reaches the age of 21 and then he would be returned to society, whether he is ready for rehabilitation or not. We might regret such a move.

As the hon. member for Welland (Mr. Tolmie) pointed out, there is another consideration. The bill deals only with those offenders who would otherwise be sentenced to imprisonment in a penitentiary. Those offenders the bill would have sent to an industrial school; that is, the really serious offenders. Under the provisions of the Juvenile Delinquents Act, where the offence was less serious they would be sent to provincial jail. It would seem wrong to send the more serious offenders to an industrial school and the less serious offenders to jail.

In any event, as was also pointed out by the hon. member for Welland, there is provision in the Penitentiary Act that those committed to penitentiary under the age of 16 cannot, except at the special direction of the Commissioner of Penitentiaries, be confined in association with persons 21 years of age or more. However, the commissioner may, in the case of a person under the age of 16 years, authorize his transfer from a penitentiary to a provincial institution in the same region if that institution is operated for the custody and training of persons under the age of 21 years. I understand that this power is exercised in all cases where it is appropriate to do so.

In conclusion, Mr. Speaker, although I agree that there is much merit in the contention that the law in this regard requires very serious examination, I understand there will shortly be before this House substantial amendments to the Juvenile Delinquents Act, and I think that before very many months have passed we will have an opportunity to make all these wrongs right.

Mr. Jerry Pringle (Fraser Valley East): Mr. Speaker, I am not a lawyer and so am unable to approach this subject legalistically, but I should like to approach it as a parent of a teenager now going to school in Ottawa, a lad who of course must give a parent a great deal of concern because he is exposed to the various problems around us.

As a Calgarian for a number of years, I have a great deal of respect for the mover of this bill, the hon. member for Calgary North (Mr. Woolliams) because he is well known for his compassionate appeals on behalf of youth over the years. His many speeches made in the House and reported in the press have been most admirable.

• (5:50 p.m.)

Although I am not a lawyer and cannot say whether young people ought to be confined in any particular type of institution, I have searched my mind with regard to the causes of delinquency as well as its effects. Today I think we should not be so much concerned about the age at which we deal with our young people as with the tremendous sociological problems which we have and do not seem to be coping with adequately.

It seems to me, as I look back, that right after the war we began allowing our youth a measure of permissiveness. Psychiatrists were writing books and saying, "You must not spank the child but take him to one side and listen. You must not use the switch any more at school but take the child to the office and listen. You must change your disciplinary methods and your way of teaching what is right and what is wrong."

I am a parent who has raised three boys, and I find I am supposed to do more listening than talking and that my experience really does not count for much any more. I resented being taken to the woodshed when I was a young boy and treated in a certain way. Today parents are not supposed to operate that way. I am in favour of raising the age limit with respect to convicting young people. Nothing appalls me more than seeing a young person who has made a mistake being confined to an institution.

It so happens that at one time when I was young I went to reform school, although not as an inmate. My father was a school teacher in reform school at Portage la Prairie.

Because we lived in close proximity to the reform school, I was in close contact with the everyday happenings in that school. I recall the severe discipline of those days. My father helped a great deal in changing some of those terrible disciplinary methods. In later years when I was in western Canada I ran into successful young men who did not hesitate to remind me they had gone to that school and been taught by my father in Portage la Prairie. They were anxious to see him. That sort of discipline would not be tolerated today in any way, shape or form.

I am concerned because parents are becoming increasingly permissive. Because we are not sure in our minds about the difference between right and wrong, we tell our young people, "We will reduce the amount of discipline and make your lives easier to live, even though you do wrong." I am in favour of increasing the age at which a child or young person may be convicted, and was appalled to hear the hon. member for Calgary North say that children of seven were confined as he described. Even though the age limit is raised, alternative methods of dealing with our youth must be found. But they should not be told they can run out and demonstrate and disregard law and order, as they are doing today.

I hoped that the lawyers in this House who must be experienced in these matters as a result of having been involved in court proceedings could shed some light on this problem. I cannot conceive, from my limited knowledge of court procedure, that any young people in this country would behave in a courtroom as some people behaved a few days ago in Chicago. I understand the people involved were refused bail by the judge, and that bail has been granted by another judge. I have heard talk to the effect that the judge himself will face some type of trial.

I think all parents are concerned about our finding alternatives to the sentences being meted out to our young people, regardless of their age. What about the young fellows who sit around the house at night watching television and seeing violence portrayed: what are we doing to change that situation? What are we doing to change their environment? Let us grapple with the roots of the problem instead of saying merely that the age limit with respect to convictions should be raised to 12 or 16 years of age. All these young people need our help, Mr. Speaker. Clearly, if we are considering decreasing the voting age from 21 to 18, we are doing so because the young people of today know a great deal more than they knew in days gone by.

[Mr. Pringle.]

Mr. Woolliams: The hon. member has talked the bill out.

The Acting Speaker (Mr. Béchard): Order, please. The hour appointed for the consideration of private members' business having expired, I do now leave the chair until 8 o'clock.

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

NORTHERN INLAND WATERS BILL

CONSERVATION, DEVELOPMENT AND UTILIZATION OF RESOURCES

The House resumed consideration of the motion of Mr. Chrétien that Bill C-187, respecting Inland Water Resources in the Yukon Territory and Northwest Territories, be read the second time and referred to the Standing Committee on Indian Affairs and Northern Development.

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, before private members' hour I was making some suggestions as to what the real necessity for this bill might be. I was inquiring of the minister—and perhaps he might answer this question when closing the debate at this stage—why the legislation is really necessary. As far as members of this party can see, it is redundant and is repetitious of the Canada Water Act. We in this party believe that the setting up of the two boards mentioned by the minister could have been done under existing legislation. I refer to the Yukon Water Board and the Northwest Territories Water Board. There is really no purpose for this provision.

I wish to make one or two other remarks in this regard. In his remarks this afternoon, the hon. member for Simcoe North (Mr. Rynard) referred to the great duplication of legislation and questioned its necessity. I have already alluded to that matter. It seems that this legislation is unnecessary. The setting up of these boards could have been done under existing legislation. This multiplicity of legislation is unnecessary. It is not a particularly expensive matter, but it does take up the time of this House.

It has been suggested that perhaps this bill is a reflection on some kind of a power struggle in the cabinet between the Minister of Energy, Mines and Resources (Mr. Greene) and the Minister of Indian Affairs and Northern Development (Mr. Chrétien). This, of course, is only conjecture. No one really has any knowledge of the motivation behind these things. We cannot look into the inner recesses of other people's minds to find out what is going on.

It was also suggested that perhaps the bill is a gesture by the minister to let the territorial governments participate in pollution control after their disappointment over the constitutional changes suggested by the government last fall. If this is the case, I do not think it amounts to very much because there is no real power accorded to the Territorial Council. Both these water boards are to be appointed by the minister. There are to be several members on the boards. There is to be at least one nominee of each federal department concerned with northern water management. That is a lot of people, Mr. Speaker. The hon. member for Simcoe North pointed out during the debate on the Canada water bill that there are at least seven departments concerned with water pollution in general. These did not include the Department of Indian Affairs and Northern Development, which has added itself to the list.

• (8:10 p.m.)

The point which was raised this afternoon by way of the amendment moved by my hon. friend from Peace River (Mr. Baldwin) represents the principal objection we in this party, at least, take to the bill before us. As the hon. member for South Western Nova (Mr. Comeau) said—and my hon. friend from Peace River as well as the hon. member for the Northwest Territories (Mr. Orange) on the government side referred to this—we do not like the proposition that all the members of the proposed boards should be civil servants. They will all be members of the so-called establishment, and it has often been suggested by members of this House that these people tend to have a frozen state of mind.

It would be a little better, I believe, if persons outside the civil service were also appointed to these boards. This is a shortcoming the government might correct at a later stage. I hope provision will be made for the appointment of at least one member on each board who is not a member of the civil service and who has knowledge of local conditions. The minister might get one of his colleagues to propose such an amendment at the appropriate time.

The main fear we have is outlined in the amendment before the House. It concerns the diversion of waters from water courses. This appears to be the one item in this piece of legislation which really differs from the terms of the Canada Water Act which, we contend, covers what is proposed in the major part of the bill before us. It leads to a conclusion that a plan for the diversion of water has only to be approved by the board; it does not have to become a matter of public knowledge. An advertisement will be placed in the Canada *Gazette*—who reads that?—and there will be an advertisement placed in one newspaper: it might be in the newspaper of an obscure town in the north, and nobody would notice it.

There is a genuine concern on this side of the House stemming, in part, from what seems to be deep division within the cabinet as to our water policy. The Prime Minister (Mr. Trudeau) made some remarks at Carleton University the other day. This afternoon in the House during the question period he indicated he was not averse to selling our water in certain circumstances. Water flowing into the oceans was not of any use to us, he seemed to be saying. On the other hand, the Secretary of State for External Affairs (Mr. Sharp) has implied that not one drop of Canadian water will go to the Yanks, or to anybody else for that matter.

I do not like to use the term "weaseling" here, so I shall say that to judge from the variety of words used there does seem to be some disagreement in the cabinet as to what our water policy should be; whether we should sell it and get a price when it is not being used here, or whether there should be a complete assessment of the water we are likely to be using in this country in the foreseeable future before taking any such step. In any case, there seems little doubt from what has been said that there is indecision or even dispute within the cabinet as to our policy regarding the sale of water.

This being the background, we feel serious concern about clause 2(2) of this bill. I realize we should not refer to specific clauses at this stage but I am doing so merely to illustrate my point. The clause provides—

Mr. Speaker: Order, please. I invite hon. members to exercise discretion as to the consideration of individual clauses at this time. The hon. member has himself acknowledged

that on second reading we ought not to be discussing individual clauses of the bill. I hope hon. members will limit their contributions to debate on the principles of the bill and the amendment which is before the House.

Mr. Nesbitt: I appreciate Your Honour's point of view and, of course, I agree with it. But perhaps Your Honour did not hear the observation I was just making. My reference to this particular clause illustrates the reason for the substance of the amendment presently before the House. It reads, if I may cite it, with Your Honour's permission:

> For the purposes of this act, diversion of waters from a water course, whether the water course is seasonal or otherwise, and obstruction of any such water course shall be deemed to constitute uses of waters.

I quote this only to illustrate the reason for bringing an amendment before the House. We are concerned lest rivers flowing into the Arctic, as the majority of the rivers in this country do, either into the Arctic seas or into Hudson Bay, might be diverted to flow south into the Great Lakes or perhaps into other river systems such as the Columbia, in which case this clause might afford an opportunity for selling our waters in the absence of proper discussion or consultation with the Canadian public or, indeed, without their knowing about it.

This may not, of course, be the intention of the government. But over the years, as I say, one does become a little suspicious about these things, particularly when there does seem to be disagreement in cabinet circles as to what our water policy should be. As far as I am concerned, if the minister, when he closes the debate, would give the House an assurance that it is not the intention of the government to make use of this clause for the purpose I have suggested, and would agree to recommend an appropriate amendment making a declaration at the time, perhaps during the committee stage, we would be quite prepared to withdraw our amendment and allow the bill to pass on division. As has been pointed out, we have other objections to the terms of the bill. Otherwise, we must continue with our amendment.

As the bill stands, we object strongly to a measure which would permit the diversion of Canadian waters without the opportunity for a thorough and full discussion of the long range implications, particularly when government policy, like its attitude toward the Arctic sovereignty question, is uncertain, contradictory and indecisive. With these remarks I close my observations and await what the minister has to say.

[Mr. Speaker.]

Mr. Rod Thomson (Battleford-Kindersley): Mr. Speaker, I can tell the minister and the hon. member that they will not have to wait very long. As I understand the purport of this bill, it is to set up regional water authorities in the Northwest Territories and in the Yukon. When we were discussing the water bill some time ago, I recall wondering whether there was not a certain amount of duplication as between the provincial and the federal water authorities in connection with pollution especially. There seems a similar possibility here.

There may be good reason for setting up these organizations in the long run, though I am not certain what it is at the moment. The minister in the course of his statement on the bill told the House that action of the kind proposed should not be taken half-heartedly. If he is disposed to view things in this light, if he intends to apply these measures vigorously and forcibly, I am quite pleased to go along with a bill of this nature.

• (8:20 p.m.)

However, I should like to suggest that those with responsibility in a local sense in these two areas be given co-operation so they are allowed to exercise some authority. I do not think anyone can learn how to govern without having the chance to do some governing. I should like to see the minister extend more authority in fields such as this so that a more vigorous and forceful contribution can be made. In this case perhaps the people concerned would be less subject to temptation from outside sources than would be the case in some other fields.

I am in favour of the amendment moved by the Conservative Party in the sense that I do not think we should, at least at this stage, allow the exportation of our water. I am not quite sure where water from the Northwest Territories would be exported to, unless it were to Alaska. That might be a possibility if the Yukon River were dammed, but at the moment I am not sure just where we would export the water. Nevertheless, I think it is good to put in the bill a provision that places some restriction on exportation.

With regard to the administration of the bill, I favour the viewpoint of the northern affairs minister in the sense that I think he has perhaps a healthier attitude toward water pollution and control than has the Minister of

Energy, Mines and Resources (Mr. Greene). I also say that the Minister of Fisheries and Forestry (Mr. Davis) has a better attitude than the minister of energy. Certainly this appears to be the case in light of some of the statements he has made in this House. For this reason I do not really mind the northern affairs minister exercising some control of the water resources in our northern areas.

As a member of the northern affairs committee I hope to study the bill clause by clause when it goes to the standing committee. There we will have the chance to look at all of its aspects and to question the minister in detail. At the present time I am looking forward to hearing the minister's explanation and clarification of some of the points that have been raised in the debate.

Mr. Speaker: Order, please. The minister's participation now will close the debate.

Mr. Knowles (Winnipeg North Centre): Is there not an amendment, Mr. Speaker? I believe, therefore, that the minister is not closing the debate.

Mr. Speaker: The Minister of Indian Affairs and Northern Development.

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, I should like to thank all hon. members who have participated in what I think has been a good debate. As far as the amendment moved by the official opposition is concerned, as I said earlier the bill relates to management of water in the north and is not related to exportation of water. As the last speaker pointed out, geographically there are not too many places to go if we want to export water from the Northwest Territories, but before any water can be diverted from the north across the border certain legislation on the statute books must be complied with.

I am surprised that the opposition is not aware of the fact that in order to cope with this kind of situation, in 1955, when the Premier of British Columbia wanted to move a little too quickly in this particular field, the government passed an act respecting the construction, operation and maintenance of international river improvements. This act was designed for the purpose of making sure that the exportation of water is controlled by the federal government.

Mr. Barnett: Mr. Speaker, would the minister permit a question? I well recall that piece of legislation going through the House, but is the minister not aware that, despite passage of this legislation, we exported Columbia River water to the United States, and with the agreement of the federal government?

Mr. Chrétien: Yes, Mr. Speaker; but because the legislation existed it was necessary for the government to discuss the matter in the House of Commons and to sign a treaty with the United States. The main concern put forward by members today is that the government inform the people of any action it might take in this regard. In the case of the Columbia River Treaty a full debate was held in the House of Commons. Negotiations were held with the provincial government and the United States authorities.

Although the hon. member may not have agreed with the signing of the treaty, he cannot say he was unaware of what happened. I was here in those days and I know that the hon. member spent a lot of time, both in committee and in the House of Commons, trying to put across his point of view. Unfortunately for him he was unable to convince the majority of the members of the House that the Columbia River Treaty should not be ratified.

If water were to be diverted to the United States from southern rivers in Canada, the terms of the act passed in 1955 would have to be complied with before the water could cross the border. Even though the bill before the House does not deal with the international aspects of water diversion, there is legislation on the books to restrain any action that the board might take which the government considered not in the best interests of the country.

Another point raised by many hon. members today was that they felt the bill was a duplication of the Canada water act. I think the legislation before the House tonight complements the Canada water act. There is a presumption in the Canada water act that a regional or provincial body will be set up for purposes of local management. It is equally vital that there be such a body established in the north, especially when one realizes that this is a region in which one-sixth of the world's supply of fresh water is to be found. More than one-half of Canada's water supply lies in the Arctic. At the present time the Arctic is unpolluted. I apologize to no one for taking steps to ensure that the north remains unpolluted.

Mr. Stanfield: I hope your colleague agrees with you.

Mr. Chrétien: I will deal with that point later. The legislation deals not only with pollution of water but with the use of these water resources. When this bill is passed, anybody who wants to use these water resources of the north will be obliged to obtain a licence. If any licensee pollutes water, we will withdraw his licence. In this respect the bill is stronger because it gives to the government absolute jurisdiction in that regard.

• (8:30 p.m.)

What we are doing through this bill is looking after the interests of the people of the north. I am the minister concerned in this House of Commons; Parliament has given the responsibility for northern development and resource development to the Minister of Northern Development. Through this bill we want to assert that responsibility, and we want to assert it in respect of all inland waters.

One hon. member referred to the waters between the Arctic Islands. As I said in the House, there will be some legislation forthcoming to deal with the problem of pollution of Arctic waters, but this bill refers to inland waters.

Mr. Nesbitt: It does not say that.

An hon. Member: Just read the act for once.

Mr. Chrétien: I am not that good in English, but it refers to "inland waters". My hon. friend from Nova Scotia, who is French speaking, probably understands fully the French part of this bill which states "les ressources en eau à l'intérieur du territoire", and so on, so he should understand as well as English speaking members that this measure has relation to inland waters.

I understand the point made by some hon. members about the composition of the boards. The boards will be composed of appointees of the government and the commissioners of the Northwest Territories and the Yukon. The bill states that there shall be at least one appointed by the Yukon and Northwest Territories. There is nothing which prevents us from appointing more than one. The members appointed to the boards by the federal government will be individuals representing each department who are not only interested in the affairs of the north but are also residents of that area. I do not want people from Ottawa having to go there each time there is an application.

The members of the boards will be specialists who are residents of the north. I think this is proper because each department involved in land and water management will be represented. Locally there will be representatives of my department. They will be recommended to me because these appointments have to be made through Orders in Council after discussion and consultation with the commissioners of the territorial councils. They will not be advisory boards but working boards which will have to deal with different applications. For this reason, the members of the boards in my opinion should be residents of the north and representatives of the department there. As I said, at least one appointment will be made by me, after consultation with the territorial governments. We say there shall be at least one such appointee. That is the wording of the legislation. I would consider favourably having more than one such representative.

There was a technical question raised by the hon. member for Peace River (Mr. Baldwin). He said that the boards would be made up only of civil servants because there is no provision in the bill to pay these people. As the bill states, the appointees outside the government will be recommended by the territorial councils and will come within the jurisdiction of the act that governs the territories. If we decide it is advisable that such outside people be appointed, we have the authority to have them paid by the territorial governments. I do not want to elaborate more on what I have said. I hope we will have the opportunity to take action and do things in the north that have not been done in the past. This is an unpolluted area, and I am amazed to see that the official opposition is opposed to a bill that goes as far as this one to control not only pollution but the usage of water. That is absolutely unbelievable. We want to make sure that control will be absolute in the north above the 60th parallel. The opposition says it does not want that kind of legislation. I am very amazed that opposition members oppose such a bill and want to put this matter in the fridge for years. Right now there is a danger of pollution and I am surprised that the opposition would adopt such an attitude.

Once more let me say I do not apologize to anyone for facing my responsibilities in charge of resource development in the north and for making sure that resources—almost the most important anywhere in the world—including water, are protected forever. We

have started from the beginning and we are not weakening in our position. I hope the explanation I have just given in respect of exportation of water will convince members of the opposition to revise their position and support this bill which will be studied clause by clause in the committee. At that time I will be delighted to testify and go into detail in respect of information I have in this regard.

Mr. Randolph Harding (Kootenay West): Mr. Speaker, I am not going to take too much time. I think we are speaking on the amendment. There are a few words I should like to say about the legislation before us. I listened with interest to the minister's speech. There are many clauses of this measure with which I agree, but one or two of the statements he made in respect of water planning should be looked at again.

The bill which is before us is a measure respecting inland water resources in the Yukon and Northwest Territories. As I see it, the bill will create two territorial water boards. There will be one board in the Yukon and the other in the Northwest Territories. Each will act with single authority in its respective area of regulation and enforcement as laid down under this water measure. I do not think there should be any area in Canada without some type of water act or without the proper regulation and central enforcement of such a measure.

At the present time the administration of water rights in the area outlined in the bill is a real hodge-podge of uncertain jurisdiction. We have federal departments with some control and regulation, and we have the territorial governments also with certain control and regulations. As the minister has indicated, it would appear at present that there is not too much co-ordination or co-operation between these groups in respect of the management of these water resources. As I mentioned earlier, the unification and centralization of responsibility for the management of water resources in the Yukon and the Northwest Territories is a step in the right direction. I have no hesitation in saying that. The minister has indicated that we can no longer afford to develop and manage our water resources in terms of single-purpose planning. This one section of his speech I agree with 100 per cent. The day of single-purpose planning, not only of water resources but of any resource, has gone for good.

• (8:40 p.m.)

As I say, he mentioned there would be no more single-purpose use of our water resources. I hope this is true and I trust that as a result of this bill we will see the type of water planning and management which has been sadly lacking in many parts of Canada. It seems to me it would be very easy when developing a single-purpose use of our water resource to completely overlook the vast potential that is often available on a long-term basis. This is what we have been doing for years and are still doing in Canada today. We have done this time and time again. There are many examples of this in my own area. However, I am not certain that as Canadians we have learned our lesson in resource planning. The step-up of activities in our great northland without the necessary ground rules and regulations being laid down is an indication that the present government is not too clear in respect of its plans for this one-third of Canada.

I intend to be rather brief, but there are one or two points I should like to make. I do not believe these points have all been touched on today in relation to the planning in respect of the resources in the Arctic area. I feel this is a special area in Canada wherein we face problems we do not have anywhere else. So far as Canada is concerned, it is a very special area. It is an area in respect of which Canada has not done very much research. It is an area in respect of which there are not many authorities on the problems of the Arctic and how we should go about overcoming them.

Planning for the whole north is difficult and different, not only because of the immense area involved or the sparse population but because of a totally different environment. This environment presents problems which are not normally encountered south of the 60th parallel. As I mentioned earlier, special studies and planning as well as special people are required. The problems concerning development of the resources will tax our ingenuity to the limit, if we are to keep our water in this area up to quality standards.

There is no doubt that today we simply do not have the necessary research to logically and sensibly lay down a full program for the area. I am convinced, as are many other people, that we must start a research program now. This research work should have been done years ago because there has been every indication for a long time that the move to the north for mineral exploration would

come. This has been apparent. We have heard of the wealth there. It was logical that moves would be made in this direction. What has been done has been too little and too late in so far as governmental planning is concerned.

In his speech today the minister said it is his firm belief that with the passage of this legislation we will have all the tools we require for multi-purpose planning and for rational development of our water resources. I do not agree with this. I am convinced that statement just does not hold up so far as the problem facing us in the north is concerned. I think there are a host of problems and that we will not solve them just by passing a water bill. Earlier the minister indicated that all these water problems would be solved and that he could guarantee the quality of our northern waters. I certainly hope he can, but it seems to me there are a number of things which have been overlooked.

I have obtained a number of scientific articles on the Arctic area. I shall not go into these at any length. However, I picked up one today which is very interesting. I would suggest to hon. members who do not have a copy of this article that they obtain one. It is in a little pamphlet apparently taken out of a larger book. It is entitled "A Look at the Future of Hazardous Contamination of the Circumpolar Environment." It was written by a Mr. Kingsley Kay, Ph.D. of Ottawa. This pamphlet sets out several problems which I believe should give members a little better insight into some of the difficulties we face so far as water resource management is concerned.

It does not go into a tremendous amount of detail but outlines several problems. For example, it talks about mining development coming into the Arctic area. Perhaps I should read a section of this because it states the situation much better than I could. It is not critical of the mining ventures but points out, for example, the problems waste materials can pose for the entire area so far as contamination is concerned. That is what we are talking about now—quality water and the possibility of pollution in this area. The article reads in part:

> When mining and smelting operations began to develop in arctic regions following the war, it was supposed that discharge of effluents onto the barren arctic waste would not be harmful. However, communities quickly developed at operational sites, and it was evident to health workers that these operations might be even more hazardous to health under the climatic conditions of the Arctic than they had proved to be in populated temperature zone locations. This eventualized in one major case where gold mining and smelting were undertaken in the Northwest Territories of Canada without waste control. Two years after commencement of operations, arsenic trioxide produced by ore-roasters in the recovery of gold had contaminated the surrounding townsite to the extent that poisoning cases involving domestic animals and humans occurred. Then too, the process of distribution of radionuclide fission products around the earth has been under observation for a number of years, and health specialists in this field have suspected that the climatic conditions of the Arctic would also favour the accumulation of these contaminants.

[Mr. Harding.]

The point he is making is that quite frequently we will take planning from a temperate zone—and we live in a temperate zone—and try to transplant that temperate zone planning into an area where there is a completely different type of climate. I think this has possibly happened with regard to this bill. The article continues:

> It now seems clear that development of the Arctic in the temperate zone pattern could introduce the same progression of environmental contamination problems perhaps even in an intensified form due to the meteorology, geology, and geography of the high latitudes.

• (8:50 p.m.)

The interesting thing here, Mr. Speaker, and it has already been mentioned by some hon. members, is that much of the Arctic is an area covered with permafrost. It is not like the areas in which we live. The writer goes on to explain that probably they would spray with DDT to combat black flies. In most sections of Canada a lot of the residue would be carried into the soil with rainfall, and in a period of time would be dissipated. Chemical changes would take place, but when there is a layer of permafrost this does not happen. Matters of this sort should be brought to the attention of the House, the committee, and the minister who is piloting the bill through the House.

Just regulating water will not solve our pollution problem in the Arctic. We must sit down and do a lot of planning on what we will do with mineral wastes which could become toxic, and what we will do with other types of waste coming from the little settlements that will be established. They will have exactly the same problem. There is only one place for their wastes to go, into the pools, lakes and rivers. Very little of their wastes will seep into the soil and be dissipated in that way.

This pamphlet also deals with a fallout problem and how it can affect animals and people. With your permission, Mr. Speaker, I

would like to read a few lines from this portion:

Among the long-lived meteorologically distributed radionuclide wastes, cesium 137 has become the one of greatest interest to public health authorities since Liden in 1961 reported body burdens in Laplanders around 40 times as high as the southern Swedish population.

It goes on to point out that the reason is that in the area where the reindeer live, cesium 137 gets on the lichen upon which the animals feed and as a result there is a fantastic amount of it in the meat of the animals which the Laplanders eat. The same thing can and does happen in the Arctic where you have a heavier concentration of this type of material simply because there is no chance of it seeping down into the soil and being dissipated.

The article continues:

This investigator discovered that the higher level of the northern population was due to ingestion of reindeer meat which contained 137 Cs at levels around 280 times higher than the beef consumed in the south. These findings were confirmed for Finland in 1964. It was subsequently found that the lichens on which the reindeer feed have an accumulation efficiency of 100 per cent for this radionuclide.

Then it goes on to say:

Though hazardous levels do not appear to have been reached, the existence of this concentrating process demands continuing assessment in the interests of the safety of both indigenous and non-native people.

The point I am trying to make here, Mr. Speaker, is that this type of fallout could come anywhere over the earth, but because of the peculiarities of this region it is found in larger concentrations there, much larger than we normally would have in other parts of the world, for example, in the temperate zone.

It seems to me we must be especially careful in the type of planning we do in regard to our northern areas. We must take all these factors into account, and I do not think we have done so in this bill. Therefore, I urge the minister and the government to go back and dig up some of the research that has been done and let us start, in light of the knowledge which we have, to draft legislation and regulations which will stop pollution in this area. Pollution in the north could be far worse than anything we have had in the south, and it will be worse unless we are prepared to take the necessary steps, steps we will be forced to take eventually if pollution really takes hold in the north.

Then, too, we have had the problem of oil pollution. Research in this respect has not been adequately carried out, but I am not going into that point at length tonight because we have previously had good discussions on it in the House. In conclusion, Mr. Speaker, bringing the water resources of this area under one agency is basically good: it is a framework within which to plan an adequate program. But we must go much further. We must go outside the question of water resources and check all other resources to make sure that through their exploitation we do not contaminate the greater and richer resource of water in the Northwest Territories and the Yukon.

The Acting Speaker (Mr. Béchard): Is the House ready for the question?

Some hon. Members: Question.

The House divided on the amendment (Mr. Baldwin) which was negatived on the following division:

• (9:00 p.m.)

YEAS

Messrs:

Alexander
Alkenbrack
Asselin
Baldwin
Barnett
Beaudoin
Bell
Brewin
Burton
Cadieu (Meadow Lake)
Comeau
Crouse
Dionne
Douglas (Nanaimo-Cowichan-The Islands)
Fairweather
Flemming
Gauthier
Gilbert
Gleave
Godin
Grills
Gundlock
Hales
Harding
Horner
Howe
Knowles (Winnipeg North Centre)
Knowles (Norfolk-Haldimand)
Lambert (Edmonton West)
Lewis
Lundrigan
MacDonald (Egmont)
MacEwan
MacInnis (Cape Breton-East Richmond)
MacInnis (Mrs.)
MacLean
Macquarrie
McCutcheon
McGrath
McIntosh
McKinley
Mather
Monteith
Moore
Nesbitt
Orlikow
Peters
Ricard
Ritchie
Rondeau
Rynard
Saltsman
Schumacher
Scott
Simpson
Skoberg
Skoreyko
Southam
Stanfield
Stewart (Marquette)
Thomas (Moncton)
Thompson (Red Deer)
Thomson (Battleford-Kindersley)
Valade
Winch
Woolliams—66.

Division

NAYS

Messrs:

Allmand	Laniel
Badanai	Leblanc (Laurier)
Barrett	LeBlanc (Rimouski)
Basford	Lefebvre
Béchard	Legault
Beer	Lessard (LaSalle)
Benson	Lind
Blair	Macdonald (Rosedale)
Blouin	MacEachen
Borrie	MacGuigan
Breau	Mackasey
Brown	McNulty
Buchanan	Mahoney
Caccia	Major
Cadieux (Labelle)	Marceau
Cantin	Marchand (Kamloops-Cariboo)
Chappell	Morison
Chrétien	Noël
Cobbe	Olson
Comtois	Orange
Corbin	Osler
Côté (Richelieu)	Otto
Crossman	Ouellet
Cullen	Pepin
Cyr	Perrault
Danson	Pilon
Deachman	Portelance
Deakon	Pringle
Douglas (Assiniboia)	Richardson
Dubé	Roberts
Duquet	Robinson
Émard	Rochon
Forest	Roy (Laval)
Forget	Ryan
Francis	Serré
Gendron	Smerchanski
Gervais	Smith (Northumberland-Miramichi)
Gibson	Smith (Saint-Jean)
Gillespie	Stafford
Goode	Stanbury
Goyer	Stewart (Okanagan-Kootenay)
Gray	St. Pierre
Guay (St. Boniface)	Sulatycky
Guilbault	Thomas (Maisonneuve)
Harries	Tolmie
Hogarth	Trudel
Honey	Turner (London East)
Hymmen	Wahn
Kaplan	Watson
Lachance	Weatherhead
Laing (Vancouver South)	Whelan
Lang (Saskatoon-Humboldt)	Whicher—105.
Langlois	

Mr. Speaker: I declare the amendment lost. Is the House ready for the question on the main motion?

• (9:30 p.m.)

Mr. Nesbitt: Mr. Speaker, I hesitate to take up the time of the House at this point, but if there are not too many interruptions I shall do so for only about two minutes.

[The Acting Speaker (Mr. Béchard).]

Mr. Speaker: Order. Is the hon. member rising on a point of order? He has already taken part in the debate; it is my understanding that he seconded the amendment. Unless it were with the agreement of the House, it would be difficult for him to take part in the debate a second time this evening.

Some hon. Members: No.

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

Some hon. Members: On division.

Motion agreed to, bill read the second time and referred to the Standing Committee on Indian Affairs and Northern Development.

NATIONAL PARKS ACT

AMENDMENTS RESPECTING DEFINITION, ACQUISITION, ADMINISTRATION, ETC.

The House resumed from Tuesday, February 24, consideration of the motion of Mr. Chrétien that Bill C-152, to amend the National Parks Act, be read the second time and referred to the Standing Committee on Indian Affairs and Northern Development, and of the proposed amendment thereto of Mr. Lambert (Edmonton West) (page 4030).

Mr. Jack Horner (Crowfoot): Mr. Speaker, on rising to take part in the debate on the principle of this bill I will say at the outset that I am pleased, along with other members who have expressed their opinions on this subject, to see the minister in the House for the first time, as I recall.

Some hon. Members: Hear, hear!

Mr. Horner: I hope that before the bill passes this evening—and perhaps I should like to see it do that—the minister will rise and give us his version of the measure as it affects the people in the national parks at Waterton, Banff and Jasper. I do not think he really meant that they should move out if they did not like conditions there. I urge him to take this opportunity to explain exactly what he did mean and to tell us how the bill before us is likely to help these people.

As I said when the bill was before the House last Tuesday, I am concerned about the principle proposed. We have an amendment which implies that the principle is repugnant, that it should be withdrawn and that the government should reconsider the matter.

Some hon. Members: Hear, hear!

Mr. Horner: The bill proposes the setting up of a Crown corporation. As I said on Tuesday, we are already taxing these people. We are implementing 42 year leases which will take away their rights as leaseholders, rights which citizens normally enjoy. We tax them, but we are giving them no representation, no local government whatever. To me, this is repugnant.

We have long believed that taxation should be accompanied by representation. We have long believed that the people should have the right to decide what is good for the communities in which they live, that they should have the right to voice their opinions about the affairs of those communities. Yet Banff, Waterton and Jasper—I mention these three towns because they are the towns with which I am especially concerned—

The Acting Speaker (Mr. Béchard): Order. May we have order in the House, please?

Some hon. Members: Hear, hear!

Mr. Horner: It is nice to see government members so concerned. During the last election they professed a great interest in participatory democracy. Now when someone is speaking in the House they are reluctant to even listen.

Mr. Lind: Mr. Speaker, I should like to ask the hon. member a question.

Mr. Horner: Fine. Go ahead.

Mr. Lind: Is it not true that in 1959, under Order in Council 1108, the previous government increased the rent for parkland in Banff and Jasper?

Mr. Horner: Many politicians make a terrible mistake by living in the past. I urge everyone here to look at today, to look at the future. It is the future we as Canadians should be concerned about.

Some hon. Members: Hear, hear!

The Acting Speaker (Mr. Béchard): Is the hon. member for Middlesex rising on a point of order?

Mr. Lind: The hon. member did not answer my question, Mr. Speaker. Is it not true that the previous government authorized these increases in rent in Banff and Jasper?

Mr. Horner: No, it is certainly not true.

Some hon. Members: Oh, oh!

Mr. Horner: Furthermore, I was serious when I suggested that members of this House should concern themselves with the future. There is no sense debating what happened in the past or arguing about who was responsible in the past. Let us decide how we can best meet these problems in the national parks. The proposed corporation is to have three basic duties: it will manage, maintain and develop. On Tuesday I asked the Parliamentary Secretary where it would get the money; whether it would be purely and simply from the taxpayers in the area.

Mr. Lind: The hon. member has not answered my question yet. Is it not true that the previous government raised the rent in Banff?

Some hon. Members: Order.

Some hon. Members: Sit down.

Mr. Horner: I have dealt with the question asked by the member for Rocky Mountain (Mr. Sulatycky) who is apparently promoting this idea. I say to him that an amendment has been moved, so let him debate the question again; let him repeat what he said on the first occasion.

I was attempting to deal with the principle of this bill. The principle of the bill is to set up a Crown corporation which is to manage, maintain and develop. How will this corporation get the money to develop the national parks? I am thinking particularly of Waterton, Banff and Jasper. I asked this question on Tuesday but as yet I have received no answer. These parks are a long way from what we think of as centres of population. A residential area is needed to serve the tourists. Anyone who has been to these parks and found himself unable to get a night's lodging knows what the situation is. He will have seen trailer after trailer, car after car, lined up there during the summer months. Sometimes as many as 1,500 people reach Banff during the summer and are unable to find lodgings and the facilities they need.

The tourist industry in Alberta is the third largest in the province. It means a lot of revenue not only for that region but for Canada as a whole. The manner in which these parks are developed and maintained will mean a great deal in the years ahead. The number of visitors is increasing each year as more and more people turn to enjoyment of the beauties which our country provides. There must be an area which can serve the needs of these tourists. I ask you, Mr.

Speaker, and all hon. members this question: Will a Crown corporation be flexible enough in its management and maintenance of the parks all over Canada to meet this need? Do Crown corporations build up reputations as being flexible?

An hon. Member: Never.

Mr. Horner: It is not very likely. I see the Minister of Finance (Mr. Benson) frowning. I do not blame him for frowning, with all the trouble he is having with the white paper.

• (9:40 p.m.)

Mr. Benson: Mr. Speaker, all I can say to the hon. member is that the problems I have are nothing compared with his in defending an indefensible position.

Mr. Horner: If my position, according to the Minister of Finance, is indefensible, I would ask him to urge the minister and the Parliamentary Secretary to see to it that the committee to which the bill is to be referred travels to Waterton, Banff and Jasper, and then we will see whose position is indefensible. My case will rest with the citizens of these areas; they will be the final judge.

An hon. Member: They will also judge the white paper.

Mr. Horner: If the white paper were made of softer stuff, the people of western Canada would know where to use it. The only one of the two that would come back from the west would be the minister. Even the tourists who visit the national parks would make some use of the white paper.

To get back to the principle of the bill, it seeks to establish a Crown corporation to manage, maintain and develop our national parks. I ask how this corporation will be financed. If the corporation is to rely on the leases in the national parks, does it think it will be able to develop the parks quickly enough to meet the needs of the thousands of people who in the years ahead will be searching for areas like the national parks of Canada to relax in and lay down their weary cares?

There is no indication in Bill C-152 how the capital will be provided. However, I am interested to see the Minister of Finance take an interest in the legislation. He will shortly be bringing down a budget with a surplus, so perhaps he will be able to start the corporation off on the right foot. Even if the Crown corporation were given sufficient capital, will it have flexibility enough to meet the demands of the tourist industry in Alberta, in the Maritimes or in Quebec? I do not think it will. One thing that can be said about Crown corporations is that they become hidebound by rules and regulations; they are afraid to create precedents that go beyond the regulations that are laid down.

My experience has been that Crown corporations are not flexible enough to meet the demands made upon them. If there is one industry that does demand flexible servicing, it is the tourist industry. The nature of the tourist industry is such as to demand flexibility—flexibility of management, maintenance and development. The provisions of this bill lead me to suspect that the tourist industry will not receive this flexibility.

Let me get back to the basic question of taxation. There is a need today for the development of townsites in our national parks, particularly when the parks are far from centres of population. This is true in the case of Riding Mountain National Park, and all across Canada there are many other parks of which this can be said. Wherever there is a national park some distance from the centre of population you will require a townsite, a group of citizens who are prepared to provide the services that the tourists require. It is all well and good for the minister to say, "If you people don't like it there, you can move out". I suggest this is not a responsible position to take. Certainly it is no position for a politician, let alone a minister of a government which believes in participatory democracy, to take.

My point is that we need people in the national parks to provide the services required. Therefore, we should give these people some choice in the matter of local government. Let us write into Bill C-152 a provision that the members of the corporation shall be duly elected. If the people of each national park were to elect a member of the board, those in the townsites would have representation. I should like the Parliamentary Secretary to think about this proposal, because when the amendment before the House has been disposed of I may move another amendment to this effect. I would propose that the Crown corporation not be composed of political nominees appointed by a minister who does not care about those who live in the national parks. What is wrong with the idea of electing representatives from each of the national parks of Canada to serve on the board of the Crown corporation?

Mr. Nesbitt: No patronage there.

Mr. Horner: There would be no patronage involved, and each resident in a national park would have to some extent a voice in the management, maintenance and development of the area in which he lives and the industry that he is trying to service. I observe the Parliamentary Secretary giving thoughtful consideration to that suggestion. I hope he will sleep on it now that I have convinced him that he should take a look at this idea.

It is a shame that a country as old as ours, as steeped in parliamentary tradition as ours, neglects so many people. To say that these people do not need representation in the conduct of their affairs, that if they do not like living in the parks they can move out, is not to be responsible to one of the largest industries in Canada, an industry that needs flexibility and which will certainly need additional financial assistance. With those thoughts I will close may remarks.

Mr. Stan Schumacher (Palliser): Mr. Speaker, prior to the adjournment on February 17 I was attempting to deal with some of the many features of this bill which are totally unacceptable to the Canadian taxpayers who are most intimately concerned, namely, those who live in or adjacent to the great national parks of Alberta.

The bill itself is objectionable enough; the behaviour of its chief sponsor, the Minister of Indian Affairs and Northern Development (Mr. Chrétien), is even more so. Why should any member of the House bother supporting a measure that the minister is so obviously unconcerned about? In the four days that this House has devoted to the legislation so far, the minister has been in attendance—while the House has been debating his own legislation—for about 15 minutes. As soon as the bill comes before the House, he scuttles out. It could be a case of guilty conscience, a case of his knowing that the bill is a bad measure. Perhaps he has been instructed by departmental officials to stay out of the House in order to avoid any chance that he will put his foot in his mouth, as he has done both in the national parks and elsewhere.

• (9:50 p.m.)

As far as this bill is concerned, it is a matter of little import whether or not the minister is here. It will stand or fall, not on is own merits but on the importance the government assigns to its passage. The point which I object to most about this proposed legislation is that it carries a step further this government's philosophy of bypassing parliamentary control, harrassing individuals and small business people and playing ball only with the big companies, with the ultimate threat of a complete government takeover of a large portion of a major national interest, that is, tourism. It is another giant stride toward control of everything by the federal government and its huge, parasitic army of civil servants, only now to be disguised as employees of a Crown corporation.

On February 17 I spoke briefly about the government's sustained drive to isolate and control the national parks by reducing the area's representation in Parliament. Thanks to the active work of the legislative assistant to the Prime Minister (Mr. Trudeau), parliamentary representation for the Rocky Mountain Park area has been cut from three ridings to one. But the dedicated collectivists in the departmental bureaucracy were not satisfied with even that measure of domination. They want complete and unquestioned control, with power to drive private initiative and ownership from the parks, free of any possibility of parliamentary control. They have demanded a Crown corporation. Every member in this chamber knows at first-hand how little control can be exerted by Parliament on a Crown corporation. Look at the CBC, which is an emanation of government! That Crown corporation, in my view, is totally unresponsive to the wishes of the general public and is beyond the control of Parliament. Putting the national parks under another bastard creation similar to the CBC serves only to take the heat off the minister and the government and to give free rein to permanent officials, many of whom have never been farther west than Carp, let alone in a national park.

No matter what the hon. member for Calgary South (Mr. Mahoney) said in his diversionary and apologetic speech on this bill, it removes the practical administration of park affairs still further from the people. I realize that control is more apparent than real now, but this bill will to a large extent legalize what the hon. member for Rocky Mountain was complaining about in his speech, by providing for cabinet rather than parliamentary control. This is the "in" thing in government today. They want to build a little bureaucratic empire, free of the prying eyes of taxpayers and the nasty questions of private members of the House of Commons, be they government or opposition members. Their answer is simple—just create a Crown

company. The Postmaster General (Mr. Kierans) is trying to get out from under the mess he has created by passing the buck to such an organization. The latest rumour is that the government is discussing the feasibility of making the Department of Public Works into a Crown corporation.

One of the most undesirable features of government policy in regard to national parks is the insistence on the 42-year lease. When the Conservatives were in power, it is true they declared a moratorium on perpetual leases but they offered 42-year leases with the certainty of an additional 21-year span and a further period to be negotiated. The government stands on 42 years with no promises beyond that point. The idiocy of this policy can most clearly be seen in what is happening around Lake Louise today. Back in 1956, the former leader of the Quebec Liberal Party, while the responsible federal minister, expropriated a large parcel of freehold land in the area. The official excuse at the time was that the federal government needed 1½ acres for the Trans-Canada Highway. They took more than 30 acres. They had no immediate use for it, but they took it all because they wanted to get rid of private property owners. Subsequently, in the shadow of litigation, they decided they had wanted it all along for a townsite.

The owners of the land had plans for developing this recreational area. They were frustrated by the federal government. The federal government has spent a tremendous sum of money in servicing this land for their townsite, but it stands idle. Why? Because no private developer or free enterpriser is interested in the only terms offered—a 42-year lease. They will not touch those leases with a ten-foot pole.

It is a case of the government cannot, and private enterprise will not. When you consider what a loss is being sustained in the tourist industry because of this impasse created by the Ottawa bureaucracy, you wonder when the minister and the government will come to their senses and realize that government can never substitute for private initiative in providing for the desires of tourists.

If the minister could bring himself to remain in the House long enough, it would be interesting if he would make a statement about the rumours that the federal government is presently negotiating with Imperial Oil to take over and develop the dormant townsite. He might also explain whether Imperial Oil will be forced to adhere to the 42-year lease provisions, or whether because of that giant corporation's influence it will get special terms. I see the minister is back in the House: maybe he would like to answer that question. Such a deal may only be a rumour, but the minister owes it to Parliament and the people to confirm it or allay the suspicion that exists.

Mr. Chrétien: Mr. Speaker, I think the hon. member should look around. I was sitting with the man who is handling the legislation in the House of Commons, my Parliamentary Secretary, and he is doing a very good job.

Mr. Schumacher: I appreciate the minister's remarks, but I should like to make my views known. The minister is responsible for the passage of this legislation, not the Parliamentary Secretary. I should like to know where he gets the authority to delegate that responsibility to a Parliamentary Secretary.

The Acting Speaker (Mr. Béchard): Order, please.

BUSINESS OF THE HOUSE

Mr. Lambert (Edmonton West): Mr. Speaker, in view of the changes in the business indicated by the President of the Treasury Board, I wonder whether he could advise the House what the government proposes for tomorrow.

Mr. Macdonald (Rosedale): Mr. Speaker, I take it the question is directed to myself rather than to the President of the Treasury Board.

Mr. Lambert (Edmonton West): I beg your pardon.

Mr. Macdonald (Rosedale): That is all right. It would be our intention to continue tomorrow with this debate. I think this is the fourth day the bill has been debated, and I hope it can come to a conclusion on second reading tomorrow.

PROCEEDINGS ON ADJOURNMENT MOTION

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

ECONOMIC COUNCIL—REDUCTION OF PERMANENT SECRETARIAT—EMPLOYMENT OF OUTSIDE CONSULTANTS

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I refer to the question I directed to

the President of the Treasury Board (Mr. Drury) some time ago about the Economic Council of Canada. This is one of the most important and valuable groups giving attention to the state of our national economic health. Its reports and studies are illuminating and immensely useful. If this organization had done nothing more than produce its very fine study of the Atlantic region economy a few years ago, the nation's esteem would have been assured.

Just as it is essential that we have the office of the Auditor General to scrutinize the administrative side of government, so a body like the Economic Council is valuable in the realm of governmental policy consideration. To have a competent representative group look at the economy of the country should be immensely valuable to any government, not just to one apparently and pathetically so much in need of economic advice as this one. I was therefore much concerned to learn weeks ago that the austerity wave was to wash over this vital body and, by curtailing the scope of its operations in reference to staff and outside consultants, to diminish its effectiveness. The same thing was intended for the Auditor General, apparently, but some reprieve was given him.

• (10:00 p.m.)

It is not immediately clear from the answers given so far what is being done in reference to the Economic Council. The replies of the President of the Treasury Board have been elusively evasive. Whether the wrath of the government was kindled by reported differences of opinion or emphasis between the government and the council on certain alleged anti-inflation measures, I cannot say. But I can say it is now apparent that the austerity program is a selective one. Loyal, long-time civil servants may be given the axe or the redundancy notice, to use an euphemism. Diplomatic posts may be closed even in areas of the Caribbean where the need for more attention rather than less is becoming painfully apparent. The National Film Board may have to diminish its role. But the cut-backs and the freezes are not universally applied. As George Orwell might put it, in the path of the Treasury Board all departments and branches are equal, but some are more equal than others.

The Prime Minister's administrative and bureaucratic empire reaches proportions which make his predecessors' office establishments look like tiny outposts. The Secretary of State (Mr. Pelletier) seems to have no trouble enlarging his staff at the upper echelons. Press men and public relations offices for ministers grow like mushrooms in a wet spring. While things are supposed to be tight and ministers tough, the government moves with lightning speed to establish Information Canada where more millions of dollars and another regiment of P R men will be added to the bureaucratic organization devoted to the dissemination of what has been called by the Prime Minister (Mr. Trudeau) "proper information" but by others "managed news".

The "just society" tag is to be discarded lest it be regarded as a mere slogan. Did anyone ever think of it as a doctrine or a commitment? There may be those who think it expedient to prepare for the day when the charisma and the image of 1968 are worn thin or worn out, but I believe it would be far wiser and far more responsible to make sure that such a valued and valuable group as the Economic Council be allowed to fulfil its important role without carping restraints and petty restrictions.

I hope whoever is to speak for the government tonight will assure the House and the country that this very valuable body will not be curtailed in its effectiveness by the sort of suggestion we heard some weeks ago.

Mr. Paul Langlois (Parliamentary Secretary to Minister of Consumer and Corporate Affairs): Mr. Speaker, the first question on this subject asked by the hon. member for Hillsborough (Mr. Macquarrie) was on December 12. Since that time the hon. member certainly is aware that the 1969-70 estimates have been tabled and referred to committee for study. This would seem to be the best forum for a rational discussion of the adequacy of the funds allotted to the Economic Council. The fact that unlimited funds are not available, or that every request made by the Economic Council is not granted, is common to almost every department of government. The fact that each request for an increase in funds is not granted is in no way an indication that the government is not appreciative of the work being done by the Economic Council.

GRAIN—ADVICE TO RAPESEED PRODUCERS RESPECTING MARKETS

Mr. John L. Skoberg (Moose Jaw): Mr. Speaker, on February 23, I directed a question to the Minister of Agriculture (Mr. Olson) regarding the position of rapeseed producers in respect of markets. I asked the question

because of press releases that came out of a meeting in Winnipeg in so far as the rapeseed market was concerned. My personal reason for concern is along the line that surely the information this government now has in respect of rapeseed markets around the world should be made available to the producers.

I would like to quote a few items from the *Western Producer* of February 26. In it is stated that Mr. A. M. Runciman, president of the Rapeseed Association of Canada—

—recognized another million acres could easily be added by farmers seeking an alternative to wheat. This could throw rapeseed—and sunflowers too—into a marketing crisis. "And rapeseed would lie like wheat, barley and oats in the bins, year after year, unsold, unless farmers were willing to take $1.25 prices."

He warned the trade to get ready to market the biggest rapeseed crop ever and called for co-operation at all levels in the marketing picture—

A panel of speakers representing every phase of the rapeseed industry from producer to processor to handler to exporter echoed Mr. Runciman's call for action—

—an exporter with James Richardson and Sons ... said with a proper selling job it could be handled.

He stressed that much more would have to be done than is being done at present to move a crop of that magnitude.

This is why I posed a supplementary question to the minister to see whether he could give a more thorough answer to that question. I am sure the rapeseed producers do not want to find themselves in the same position as other grain farmers, having to cut back production. The government has done a tremendous amount of work in researching agricultural problems. I would like to know, has it really looked into rapeseed production in this country to determine whether production will surpass the amount required for world consumption?

It seems to me that at their meeting in Winnipeg rapeseed producers were seeking to co-operate with the government. I quote again from the *Western Producer* where another producer—

—charged that rapeseed markets had been lost because "people outside the industry are involved in making decisions as to how grain movement takes place."

He was sincere in his belief that the producers of rapeseed should have a say in the over-all marketing of it. Another rapeseed producer said:

A big increase in rapeseed crop could spell disaster to a large number of producers who don't recognize that price times volume minus expenses equals a profit.

[Mr. Skoberg.]

Their main concern is that they must have information about where they are going with regard to the market at this time. All I am asking the minister tonight is to try and give an indication to those hon. members still in the House at this time, especially after the long session yesterday, of what is really the situation with respect to rapeseed markets throughout the world. If we run into the same position as wheat farmers, with statements being made overseas that our grain is not of the quality that world markets demand, rapeseed producers will have a big problem. They are asking for information and they want it now. The last thing we want at this time is to have the rapeseed football fumbled to the extent that we will lose some of our best markets.

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, I hope I can give this information in the little time that I have at my disposal tonight. I would advise the hon. member that the outlook papers were published after the conference in November and they have been available to the hon. member and to the industry. Furthermore, the Newsletter we published on December 5 dealt in part with rapeseed prospects, as did the Newsletter for the week ending February 27.

The outlook indicates that an increase of 10 per cent to 15 per cent in acreage giving normal yields could be marketed without adversely affecting prices. However, there are many other factors that could affect the price of rapeseed. On the side of stability are the following:

(a) The chief competitor of rapeseed is soybeans. The United States stabilized soybean prices through a support program and they have recently announced a continuation of the program for this year at the same level as last year.

(b) Canada is the world's biggest export trader in rapeseed. Our main trade is with Japan, followed by the EEC and the U.K. These are all developing markets.

• (10:10 p.m.)

Factors that would affect price stabilization adversely are that European seeding is up, particularly in Poland and East Germany. This is a winter rapeseed and those areas are now known. However, cropping and harvesting conditions could greatly affect the over-all yield. It will be recalled that unfavourable harvesting conditions last year reduced yields sharply. We believe rapeseed prices, at least

throughout part of this last selling season, have been somewhat unrealistically high vis-à-vis other oil seeds. Of course, some price adjustment is going on now. The current cash price is 292 and November futures is 228.

I am not suggesting that the rapeseed producers get too much. What I am saying is that the price has been high in relation to the other oil-seeds. Any price adjustment will be accentuated by a large crop. Historically, oilseed prices are comparatively unstable. This is because of the nature of the market and the fact that many types of vegetable oils are interchangeable.

NATIONAL DEFENCE—CONDITION OF FALLOUT SHELTERS

Mr. S. Perry Ryan (Spadina): Mr. Speaker, the Canadian public is informed that inventories have been taken of all potential public fallout shelters in our cities. The best locations are said to be in the basements of skyscrapers, public buildings and schools. Beyond inspection of these sites, apparently nothing has been done.

At this moment in time the threat to our cities from intercontinental ballistic missiles and submarine launched ballistic missiles is increasing, and although Canada has been engaged in civil emergency measure activities for over 20 years we do not have our public fallout shelters, let alone our private ones, properly prepared and stocked with supplies including canned foods, medical and sanitation supplies and radiological instruments. Worst of all, they are not marked as public fallout shelters. Thus, in an emergency the man on the street in Toronto or any other Canadian city would not know where to go or what to do.

Canada's fallout shelters survey of large buildings was tardily completed in 1968 and the results have only recently been distributed to the provinces. Priority was given to protecting emergency government sites for six of the ten provinces. It is announced Canadian policy to make no new expenditures for stock-piles of materials; there is said to be sufficient readily available from the existing resources in time of emergency. But where are they, and how will they be delivered to the fallout shelters when the warning time may be 15 minutes or less?

Mr. Speaker, time cannot be bought in an emergency, and our vulnerability can be reduced at low cost if we are prepared. The United States is prepared. It has a nationwide fallout shelter system using both public and private available resources. They have about 195,000 public structures that will provide shelter space for 187 million people. Private owners of almost 109,000 buildings have volunteered space for more than 104 million people and have authorized the placement of the black and yellow fallout signs on their buildings to mark them for use as public fallout shelters in event of attack.

In the midst of the more likely target areas, 95,000 buildings capable of sheltering 94 million people have been stocked with necessary austere supplies provided by the federal government. In addition, national surveys have been made of smaller buildings and private homes. More than 100,000 public shelter facilities have been equipped with radiological detection and monitoring instruments. There are more than 67,000 monitoring locations with instruments and personnel established, primarily at fire and police stations.

I have had the first-hand opportunity to see and hear about the preparedness of the emergency authorities and their fallout shelters in neutral Switzerland and Sweden and other countries in western Europe. I know that they are, like the United States, far better prepared for a nuclear attack than is Canada.

In our External Affairs and National Defence Committee we were told by two witnesses, Dr. Raymond Gastil and Mr. Robert Kropka, from the Hudson Institute in the United States, that millions of lives could be saved and countless injuries to individuals prevented by preparedness against nuclear attack. In protection you get what you pay for, they said.

Many think that we are in the most perilous position of any country in the world at this time, because Canada's geography puts us in no man's land on the direct intercontinental ballistic route between Russia and China in Asia, and the United States, and our population is at the interface of interception. Although we have good warning systems on land, in the sea and in the air, we are starkly and utterly naked in our active and passive defences against the very real threats of ICBMs and submarine-launched missiles. It must be realized that every city in Canada, with the possible exception of Winnipeg, can now be struck by nuclear missiles fired by Soviet submarines from either our east or west coast. Against these threats we have neither sword nor shield.

The construction of the Safeguard ABM system south of the border will give us some protection in that some incoming missiles will

be destroyed over southern Canada and above the atmosphere by Spartan missiles. Others penetrating the Spartan umbrella will, in theory, be shot down within 25 miles or so of their target in the United States by the Sprint ABMs. However, although the nuclear explosions caused by the Spartans over our heads in Canada will cause very little blast or fallout radiation damage, they will blind millions of Canadians from glare if they are not protected from it. Anyone looking at such an explosion, or happening to be looking at a surface or object that reflects a sufficient amount of the glare, will lose his eyesight. The extension of the Safeguard system, therefore, increases this risk for Canadians and our need for fallout shelters.

Explosions resulting from Sprint contacts with incoming missiles in the atmosphere short distances across our border from the proposed Michigan, Ohio and New England ABM sites will, on the other hand, contaminate great areas of the southern halves of the provinces of Ontario and Quebec, and much of the Maritimes, with radiation, the degree depending upon the direction of the wind. It is urgently important, to ensure against blindness and radiation effects, that Canadians within at least 400 miles of the United States border have properly prepared and marked fallout shelters to go to immediately, if and when the warning sirens sound.

It now appears that the plans of the Emergency Measures Organization have been blocked at the halfway mark, and if we were attacked tomorrow the millions of dollars already spent would serve little or no purpose except perhaps to provide evidence to those who might survive of government's prodigal spending of public funds. What this government needs to do, Mr. Speaker, is take a good look at the Boy Scout motto—Be Prepared.

Mr. D. W. Groos (Parliamentary Secretary to Minister of National Defence): Mr. Speaker, first of all, along with the hon. member for Spadina (Mr. Ryan) I should like to correct an impression which seems to be prevalent, namely, that there is extreme danger as a result of the explosion of defensive weapons. These are designed to burst at such a height that they do not constitute a danger. Furthermore, it is not expected that the intercepted enemy weapon would itself explode. Even if it did, the extreme height of the explosion would reduce any possible damage to small proportions.

Mr. Ryan: Except through glare.

Mr. Groos: It should be added, also, that there is no significant radioactive hazard resulting from such high altitude bursts. Thus, one would not tie in fallout shelters with the question posed by the hon. member for Spadina with respect to explosions involving the Safeguard antiballistic missile system. Fallout shelters are designed to deal with the problem of nuclear weapons actually evading the defence system and bursting at or near ground level, thus creating widespread radioactive fallout.

As was stated at the recent Federal-Provincial Ministerial Conference on Civil Emergency Measures, the government of Canada authorized the Canada Emergency Measures Organization to carry out a fallout shelter survey of large buildings across Canada. This survey has been completed and the information is now being processed. I can tell the hon. member that the minister has asked to be provided with full advice concerning the analysis of the results of this survey as soon as possible. Until such time as he has had an opportunity to study them, he will not be in a position to advise the government with respect to the actions which might be taken in connection with community shelter plans, shelter marking and related matters to which my hon. friend referred, but these questions will be gone into.

Motion agreed to and the House adjourned at 10.30 p.m.

HOUSE OF COMMONS

Wednesday, March 4, 1970

The House met at 2 p.m.

ROUTINE PROCEEDINGS

[*Translation*]

COMMITTEES OF THE HOUSE

FINANCE, TRADE AND ECONOMIC AFFAIRS

Fifteenth report of Standing Committee on Finance, Trade and Economic Affairs, in French and in English—Mr. Clermont.

[*English*]

PUBLIC ACCOUNTS

Second report of Standing Committee on Public Accounts—Mr. Hales.

[*Editor's Note: For text of above reports, see today's Votes and Proceedings.*]

EXTERNAL AFFAIRS

NEGOTIATIONS RESPECTING IMPORTS OF COTTON YARN FROM MEXICO

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I should like to table copies in English and French of a press release on the outcome of negotiations on imports of cotton yarn from Mexico.

IMMIGRATION

APPOINTMENT OF COMMISSIONER TO INQUIRE INTO DEPORTATION OF DESERTERS FROM U.S. ARMED FORCES

Hon. G. J. McIlraith (Solicitor General): Mr. Speaker, I beg leave to table a copy of the Order in Council appointing His Honour Judge Ernest J. C. Stewart a commissioner under Part II of the Inquiries Act to inquire into and report upon the circumstances in which three persons who entered Canada from the United States departed from Canada.

GRAIN

WHEAT—ACREAGE REDUCTION PROGRAM—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION UNDER S.O. 43

Mr. D. R. Gundlock (Lethbridge): Mr. Speaker, under Standing Order 43 I ask for the unanimous consent of the House to put the following motion:

That the program proposed by the government and announced last Friday by the Minister without Portfolio from Saskatchewan of payments to western farmers for taking farm land out of production be referred to the Standing Committee on Agriculture, and the said committee be requested to give this matter immediate and prior attention and report to the House.

Since last Friday and the announcement of this program, a great many protests have been received, including 37 telegrams which I received today. The protests include one from the Little Bow Association of Municipalities which covers all of southern Alberta. The emergency debate held last Monday indicates that the government has not thought the matter through clearly, as the ministers who participated were unable to deal with the many practical and urgent questions raised.

As tens of thousands of farmers in western Canada need to be informed of these details it is, therefore, imperative that the committee have the opportunity to make an immediate inquiry and to examine the Minister of Agriculture and the Minister without Portfolio and their officials.

Mr. Speaker: Hon. members know that this motion cannot be put at this time without the unanimous consent of the House. Is there such unanimity?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is no unanimity and therefore the motion cannot be put at this time.

Mr. Woolliams: On a point of order, Mr. Speaker, it is obvious that the Liberals objected.

EXTERNAL AFFAIRS

REQUEST BY U.S. LABOUR DEPARTMENT FOR INFORMATION ON ELECTION OF INTERNATIONAL OFFICERS OF UNITED MINE WORKERS—RESPONSE OF CANADIAN GOVERNMENT

Hon. Bryce Mackasey (Minister of Labour): Mr. Speaker, a note dated February 21, 1970, was delivered to the government of Canada from the United States Embassy in Ottawa,

requesting such assistance as the government of Canada may be able to offer in securing information relevant to an investigation being conducted by the United States Department of Labour into certain aspects of the election of international officers of the United Mine Workers of America, held on December 9, 1969. Specifically, the note requested assistance in having information contained in the records of District 26, United Mine Workers of America at Glace Bay, Nova Scotia, and each of its subalternate locals, made available for examination.

• (2:10 p.m.)

A letter dated January 9, 1970, signed by the international officers of the United Mine Workers of America, Mr. W. A. Boyle, President, Mr. G. Titler, Vice-President, and Mr. J. Owens, Secretary-Treasurer, was sent to all the district and local unions instructing them to co-operate with the representative of the United States Department of Labour in order that an investigation be undertaken to determine whether or not the election conducted on December 9, 1969, was a "fair and honest election."

The government of Canada is informing the United States Embassy in Ottawa that it will be prepared to assist by co-ordinating the collection of the required information and records if provided on a voluntary basis.

The Canadian Department of Labour will communicate with the President of District 26 of the United Mine Workers of America and inform him of the government of Canada's willingness to facilitate the collection of information and records relevant to the United States Department of Labour investigation. It will also arrange for co-ordination of the collection of such information and records as are made available, and will see that such material is sent to the Department of External Affairs for transmission to the United States government.

The government of Canada has advised the governments of the provinces of Nova Scotia and New Brunswick of the course of action it is prepared to take and will act in consultation with these two governments as required.

The jurisdiction of the Landrum-Griffon Act, under which the United States Department of Labour investigation is being carried out, in no way extends to Canadian unions or locals, regardless of whether or not they are international unions. Notwithstanding this however, the government of Canada is prepared to assist in the manner outlined above,

[Mr. Mackasey.]

in view of the allegations of wrong-doing against the officers of District 26 which, unless refuted, could be damaging to their reputations.

FISHERIES

TABLING OF PETITION RESPECTING OFFSHORE FISHING LIMITS

Mr. David Anderson (Esquimalt-Saanich): Mr. Speaker, I have a petition containing 33,000 names, mostly residents of Vancouver Island, concerning Canadian offshore fishing limits. It is the submission of these petitioners and myself that the present Canadian exclusive fishing zone is inadequate for the conservation of this resource.

Therefore your petitioners do humbly pray that the fishing zone of Canada be made something quite apart from the territorial sea or internal waters, and that it comprise those areas of the sea from the low-water mark of the shoreline to the seaward edge of the continental shelf, and your petitioners, as in duty bound, will ever pray.

This prayer of petition contains the name of myself in accordance with article 67(5), and four other members of this House, the hon. member for Victoria, the hon. member for Vancouver Quadra, the hon. member for Prince George-Peace River, and the hon. member for New Westminster, as required under article 67(6).

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

GOVERNMENT DEPARTMENTS—ADVERTISING EXPENDITURES

Question No. 235—**Mr. Mather:**

For the fiscal year 1969-70, what are the estimated expenditures for advertising purposes for each government department or agency?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): (a) Departments: Agriculture, $38,000; Communications, $12,000; Energy, Mines and Resources, $281,000; External Affairs, $45,000; Finance, $1,485,000; Indian Affairs and Northern Development, $23,000; Industry, Trade and Commerce, $4,326,000; Labour, $273,000; Manpower and Immigration, $868,290; National Defence, $1,118,500; National Health and Welfare, $320,000; National Revenue, $342,000; Post Office, $442,000; Public Works, $155,000;

Regional Economic Expansion, $100,000; Secretary of State, $83,000; Solicitor General (Canadian Penitentiary Service), $16,000; Supply and Services, $74,100; Transport, $51,820; Veterans Affairs, $5,000.

(b) Agencies: Canadian Dairy Commission, $135,000; Farm Credit Corporation, $16,150; Central Mortgage and Housing Corporation, (Calendar year 1969), $271,000; Atomic Energy of Canada Limited, $62,000; Atomic Energy Control Board, $800; Eldorado Nuclear Limited, $22,000; National Energy Board, $1,000; International Joint Commission, $3,500; Canadian International Development Agency, $18,200; Dominion Bureau of Statistics, $102,000; National Capital Commission, $12,683; Defence Construction (1951) Limited, $15,000; National Research Council of Canada, and Canadian Patents and Development Limited, $10,000; Royal Canadian Mounted Police, $74,550; Unemployment Insurance Commission, $282,640; National Library, $1,700; Public Archives, $1,700; National Film Board, $41,100; Canadian-Radio-Television Commission, $65,000; Public Service Commission, $410,000; National Museums of Canada, $35,000; Crown Assets Disposal Corp., $7,000; Polymer Corporation Limited, $207,000; Royal Canadian Mint, $8,000; Freshwater Fish Marketing Corp., $20,000; National Harbours Board, $43,000; The St. Lawrence Seaway Authority, $75,900; Canadian Transport Commission, $8,000.

ASSISTANTS TO MEMBERS OF PRIME MINISTER'S STAFF

Question No. 335—**Mr. Crouse:**

1. How many members of the Prime Minister's office staff are entitled to assistants and what are their (a) names (b) position (c) date of appointment (d) salary per annum?

2. How many of these appointments were filled by the Public Service Commission?

3. How many members of the Privy Council Office are entitled to assistants and what are their (a) names (b) position (c) date of appointment (d) salary per annum?

4. How many of these appointments were filled by the Public Service Commission?

5. How many members in the previous Prime Minister's office staff were entitled to assistants, their position and their salary per annum?

6. How many members in the previous Prime Minister's Privy Council Office were entitled to assistants, their position and their salary per annum?

7. How many assistants to the Prime Minister's office staff and the Privy Council's office staff will be dismissed under the government austerity program?

Mr. J. E. Walker (Parliamentary Secretary to Prime Minister): 1. None.

2. Not applicable.

3. One. R. G. Robertson, Clerk of the Privy Council and Secretary to the Cabinet; appointed July 1, 1963; salary $37,000-$40,000.

4. None.

5. None.

6. One Clerk of the Privy Council and Secretary to the Cabinet; salary $31,000.

7. None.

GLASSCO COMMISSION RECOMMENDATIONS

Question No. 385—**Mr. Coates:**

How many of the recommendations of the Glassco Royal Comisison have been approved and implemented since June 25, 1968, and in each instance, what is the object of each such recommendation?

Hon. C. M. Drury (President of Treasury Board): Since June 25, 1968 the following recommendations of the Royal Commission on Government Organization have been approved and have been implemented or are in the process of being implemented by the government. Where a proposal has been accepted in a modified form the new wording is indicated below the original.

Volume 1—Report No. 2

Financial Management

Page

106 Responsibility be placed on departments for certifying to the Comptroller of the Treasury that expenditures will be lawful charges and that funds are available.

106 The responsibility of the Comptroller of the Treasury be limited to ensuring that the departmental officers providing this certificate are properly authorized.

Volume 3—Report No. 13

Public Information Services

114 A small committee of senior information officers drawn from the departments and agencies be formed, under the chairmanship of the Queen's Publisher, to review and advise on co-ordination of public information policy and activity throughout the public service.

Volume 3—Report No. 15

Health Services

203 The hospital care of Service personnel in Canada be gradually transferred to civilian hospitals and no building of new Service hospitals or replacement or enlargement of existing institutions be undertaken.

Modified wording:

Questions

Page

The hospital care of Canadian Forces personnel in Canada should be provided by civilian hospitals except where an analysis of the costs and benefits, including provision of medical support for operational field units and military medical training indicates that such services should be provided by the Canadian Forces Medical Services.

224 The 'roster doctor' plan for carrying out examinations be universally applied, and the staff of Canadian physicians overseas be recalled.

Modified wording:

The 'roster doctor' plan for carrying out examinations be applied where feasible, and the staff of Canadian physicians overseas reduced to a minimum.

Volume 4—Report No. 23

Scientific Research and Development

Page

273 All federal astronomical research be consolidated in the Dominion Observatories Branch, which should become a national institute of astronomy within the National Research Council.

VICTORIAVILLE POST OFFICE

Question No. 553—**Mr. Fortin:**

How much has the Canadian Government spent annually on the present Victoriaville Post Office since its opening (a) on administration (b) on rental (c) on maintenance (d) on repair (e) for other purposes?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council):

(a)	1962-63	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69
	$	$	$	$	$	$	$
Administration (Public Works)	4,370	5,677	5,148	5,728	7,428	6,782	9,753
Administration (Post Office)	Salary records prior to 1966 are not available				186,649	212,264	271,092
(b) Rental	—	—	—	—	—	—	—
(c) Maintenance	2,401	3,093	3,078	3,299	3,124	2,932	3,235
(d) Repairs	743	225	2,800	335	213	1,314	2,112
(e) Other Purposes	21	114	52	27	35	885	223

POLLUTION AND NOISE CONTROL DEVICES

Question No. 830—**Mr. Robinson:**

Will the federal government consider the advisability of requiring all motor vehicles to have (a) pollution control devices (b) noise control devices?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): I am informed by the Department of Transport and the Department of National Health and Welfare as follows: (a) and (b) The Motor Vehicle Safety Act now before the House as Bill C-137, would give the Government authority to mandate safety standards for new motor vehicles manufactured in or imported into Canada. Those safety standards could, by the definition in the Bill, include regulations governing the design, construction or functioning of motor vehicles for the purpose of protecting persons against impairment of health. The Government included this provision for the explicit purpose of establishing authority by which devices or design modifications could be prescribed to limit exhaust emissions and noise from motor vehicles.

[Mr. Drury.]

Bill C-137 also provides authority under which the Minister of National Health and Welfare could mandate standards on motor vehicle exhaust emission and noise. It is expected that exhaust emission standards developed in collaboration with the Department of National Health and Welfare, will be included in the initial regulations when the legislation is passed. Formulation of noise standards, however, may require further investigation.

APPOINTMENT OF INDIAN CLAIMS COMMISSIONER

Question No. 898—**Mr. Howard (Skeena):**

1. Was there any consultation between the Government of Canada and native people organizations across Canada regarding the appointment of Mr. Lloyd Barber as Indian Claims Commissioner?

2. Were native people organizations requested to submit names as their preference for the position of Indian Claims Commissioner?

Mr. Russell C. Honey (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): 1. No.

2. Immediately after the Policy Statement was made, a group of Indian leaders was requested to submit nominations of people to be considered as Claims Commissioner. These leaders were representing their provincial organizations, and were in Ottawa at the request of their national President. Only one name was submitted by these leaders, and the person suggested did not possess the necessary qualifications.

OIL AND GAS PRODUCTION AND CONSERVATION ACT

Question No. 969—**Mr. Harding:**

1. For the years 1963, 1964, 1965, 1966, 1967, 1968 and 1969, how many charges were laid against individuals or companies by persons in the department responsible for the enforcement of the Oil and Gas Production and Conservation Act and Regulations regarding violations of the Act and Regulations dealing with pollution of waters?

2. How many of the above charges resulted in (a) convictions (b) dismissal of the charges (c) withdrawal of the charges?

Mr. Russell C. Honey (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): 1. The Oil and Gas Production and Conservation Act did not become law until June 27, 1969. No charges have been laid under the Act.

No charges with respect to pollution of waters have been laid under the Canada Oil and Gas Drilling and Production Regulations made pursuant to the Public Lands Grants Act and the Territorial Lands Act in 1963, 1964, 1965, 1966, 1967, 1968 or 1969.

2. N/A.

"CANADA NORTH OF 60"

Question No. 1,015—**Mr. Howard (Skeena):**

1. What was the cost of preparation and production of the pamphlet "Canada North of 60" recently published by the Department of Indian Affairs and Northern Development?

2. (a) What was the purpose of issuing the said pamphlet (b) how many copies were produced (c) to which companies was initial distribution made?

3. Under whose authority and for what reason was the decision made to feature a strip mining operation on the cover of the pamphlet?

4. Under what government program was the guarantee of the long-term lease and building of a high school and student hostel, mentioned at page 27 of the pamphlet, effected and, what is the projected total cost of this assistance?

Mr. Russell C. Honey (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): 1. $20,411.65.

2. (a) To encourage investment in Canada's North; (b) 6,015; (c) to enterprises such as mining companies, investment companies, banks, insurance companies, oil companies, and related associations. Also to all foreign governments with financial interests in Canada. To all of Canada's trade commissioners and counsellors abroad.

3. The cover indicates an open-mine operation, not a strip mine. The picture was chosen to impress recipients of the brochure that considerable operations were already under way in the North.

4. The guarantee of the long-term lease refers to the fully integrated town centre, program approved by Treasury Board in 1968. The vocational high school and student hostel location in Frobisher Bay is a separate program. The projected cost will be $3,400,000 for the high school and student hostel.

GRANTING OF OIL PERMITS OR LICENCES TO IOS LIMITED

Question 1,023—**Mr. Howard (Skeena):**

1. Did the mutual fund organization IOS Ltd. or any company affiliated to it acquire any permits or licences relating to oil or oil exploration in the Yukon, the Northwest Territories or anywhere in the Canadian Arctic and, if so (a) how many such permits or licences were acquired by the said company or companies (b) what acreage was covered (c) how much money, in total, was paid for the said permits or licences?

2. Does the government have any knowledge as to whether the said company or companies sold or otherwise disposed of any of the said permits or leases and, if so, what is (a) the name and address of each person who now holds any such permit or lease (b) the number of such permit or lease (c) the acreage covered thereby by each person?

3. Does the government have any knowledge of the amount of money received by IOS Ltd. or any company affiliated with it for the sale of the said permits or leases and, if so, how much was received?

Mr. Russell C. Honey (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): 1. Neither IOS Ltd., nor any of its affiliates known to the Government have acquired any permits or licences relating to oil or oil exploration in the Yukon, the Northwest Territories or in the Arctic off-shore; however, it is our understanding that affiliates of FOF Proprietary Funds Ltd., a mutual fund which we understand to be a subsidiary of IOS Ltd., have acquired a beneficial interest under permit acreage held by King Resources Company, a permittee in the Arctic. However, transfer of a permit cannot be effected without the specific authorization of the Federal Government. The business arrangements between these affiliates

and King Resources Company are of a private nature and have not been disclosed to the Government.

2. See the answer to (1) above.

3. See the answer to (2) above.

CORPORAL PUNISHMENT

Question No. 1,080—**Mr. Orlikow:**

1. How many times has corporal punishment been used each year for the past ten years in federal institutions?

2. How many prisoners have had such corporal punishment more than once?

Hon. G. J. McIlraith (Solicitor General): 1. Corporal punishment has been administered in federal penal institutions, (a) as a Court Order, and (b) as a sentence awarded by an Institutional Board of Discipline as follows:

Year	(a)	(b)
1960	17	12
1961	6	67
1962	11	18
1963	9	96
1964	22	26
1965	3	7
1966	3	32
1967	5	19
1968	5	1
1969	5	Nil

2. 17.

MONTREAL INTERNATIONAL AIRPORT—APPOINTMENT OF DIRECTOR OF BUREAU OF CO-ORDINATION

Question No. 1,102—**Mr. Orlikow:**

1. Was there a public service competition for the position of Director of the Bureau of Co-ordination of the new Montreal International Airport at St. Scholastique, and (a) if not, for what reasons (b) if so, what are the names and the qualifications of the applicants for this position?

2. Who was appointed to this position of Director of the Bureau of Co-ordination?

3. What is the allotted salary range for this individual?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): I am informed by the Public Service Commission as follows: 1. No. (a) The appointment was made under Section 8 of the Public Service Employment Regulations which provides that the responsible staffing officer may appoint a person outside the public service where he is satisfied that no person is available in the public service who is as well qualified for the position as the prospective candidate from outside the public service. (b) Not applicable.

[Mr. Honey.]

2. Mr. Pierre J. Levasseur, B.A., B. Comm., M. Comm., MBA.

3. $19,084 to $21,687.

[*English*]

INDIAN SECONDARY SCHOOLS

Question No. 1,103—**Mr. Orlikow:**

1. How does the percentage of Indian students beginning secondary schools compare with the percentage of the whole population beginning secondary schools?

2. How does the percentage of Indian students finishing and graduating from secondary schools compare with the percentage of the whole population finishing and graduating from secondary schools?

Mr. Russell C. Honey (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): 1. In 1967-68, the latest year for which Dominion Bureau of Statistics reports are available, 7.5 per cent of the total Canadian school population was enrolled in Grade IX. During the same period, 4.6 per cent of the Indian school population was enrolled in Grade IX.

2. As Indian students at the secondary school level are enrolled in provincial schools, the Department does not maintain detailed records on promotion and non promotion of secondary school students. However in 1967-68 1.0 per cent of Indian pupils were enrolled in grades 12 and 13 as compared to 4.3 per cent other pupils.

INDIAN AFFAIRS BRANCH—EMPLOYMENT PLACEMENT OFFICERS

Question No. 1,107—**Mr. Orlikow:**

How many Employment Placement Officers does the Indian Affairs Branch employ in each province and how many of these are of Indian descent?

Mr. Russell C. Honey (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): The Department of Indian Affairs and Northern Development employs Employment and Relocation Officers in the following Regions: Maritimes, 3; Quebec, 7; Ontario, 11; Manitoba, 1; Saskatchewan, 8; Alberta, 12; British Columbia, 13.

Two Employment and Relocation Officers of Indian status are employed in Saskatchewan and two are also employed in Alberta.

RICHMOND, QUEBEC—FEDERAL ASSISTANCE TO SCHOOLS

Question No. 1,154—**Mr. Beaudoin:**

1. Since 1965, has the government undertaken to make financial contributions to the building of schools in the constituency of Richmond and, if so, what type of schools have benefited from such grants?

2. How many schools have been built to date and where are they located?

3. How many such projects were approved or are under study, and (a) what are the proposed locations (b) what is the approximate amount that the federal government will invest in each of these said projects?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): 1. Yes, for schools providing occupational training facilities.

2. Four, Asbestos (2), Richmond, Disraeli.

3. Four approved as shown below—none under study.

Location	School	Approved Federal Contribution
Asbestos	Trade School	$1,125,000
Asbestos	Secondary School for Girls	469,582
Richmond	Regional High School	1,656,372
Disraeli	Comprehensive High School	1,375,218

RICHMOND, QUEBEC CONSTITUENCY—POST OFFICES

Question No. 1,155—**Mr. Beaudoin:**

What are the annual costs of (a) administration (b) rental (c) maintenance (d) renovation (e) miscellaneous for post offices in (i) Asbestos (ii) Disraeli (iii) Richmond (iv) Bromptonville, in the constituency of Richmond?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): In so far as the Department of Public Works is concerned: For the fiscal year 1968-69:

	(a)	(b)	(c)	(d)	(e)
	$		$		
(i)	6,288.	Nil	2,986.	Nil	Nil
(ii)	2,160.	Nil	1,317.	Nil	Nil
(iii)	6,260.	Nil	2,925.	29,440.	Nil
(iv)	1,580.	Nil	743.	21,189.	Nil

In so far as the Post Office Department is concerned: (a) 1968-69 (to January 31, 1970): (i) $82,925, (ii) $21,493, (iii) $36,250, (iv) $24,089.

HULL, QUEBEC—SALARY INCREASES FOR POSTAL EMPLOYEES

Question No. 1,158—**Mr. Lambert (Bellechasse):**

Has the salary increase for postal employees in Hull (retroactive to May, 1969) been paid and, if so (a) what was the amount (b) was it paid in December, 1969 or January, 1970?

Hon. Eric W. Kierans (Postmaster General and Minister of Communications): The Post Office Department is not aware of a general increase retroactive May 1969 or thereabouts paid to postal employees in Hull. (a) Not applicable. (b) Not applicable.

DRUGS—MOVEMENT OF MARIJUANA ACROSS INTERNATIONAL BOUNDARIES

Question No. 1,172—**Mr. McCleave:**

1. What international treaties and agreements has Canada entered into with regard to the movement across international boundaries of marijuana?

2. Has Canada embarked on discussions with any international authority, or with any country or countries, to alter obligations, and, if so, with whom and for what purpose?

Hon. Mitchell Sharp (Secretary of State for External Affairs): 1. Single Convention on Narcotic Drugs, 1961.

2. No.

CANADA MANPOWER TRAINING PROGRAM

Question No. 1,177—**Mr. Robinson:**

Will the federal government consider eliminating the *criterion* of specific vocational goal as a prerequisite to taking an educational improvement course and require it only after the applicant has satisfactorily completed this course and prior to embarking on an occupational training course?

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): The Adult Occupational Training Act provides for occupational training which will increase an adult's earning capacity or his opportunities for employment. There is no specific provision for educational upgrading as such. However, the Act has been interpreted to allow educational upgrading which is a preparation for occupational training or which leads to employment.

Questions

CANADA MANPOWER TRAINING PROGRAM—EXTENSION OF TIME

Question No. 1,178—**Mr. Robinson:**

Will the federal government consider extending the time available at basic training for Skills Development Centres so that those with less than grade VII education can receive educational assistance?

Hon. Allan J. MacEachen (Minister of Manpower and Immigration): The acceptance of workers into the Canada Manpower Training Program is not based on rigid educational entry requirements. Workers are now receiving training regardless of their basic education. In 1968-69, for example, approximately 21,500 manpower trainees had Grade VI education or less before beginning training. However, the duration of continuous training available to any one trainee is at present limited to 104 weeks of which 52 weeks may be educational upgrading.

ADULT TRAINING COURSES

Question No. 1,198—**Mr. Orlikow:**

1. How many adults in each province took courses under the provisions of the Manpower Training Act in each month in the years 1967, 1968, 1969?

2. How many adults in each province took courses under the provisions of the Technical-Vocational Training Act in each month in the years 1967, 1968, 1969?

Hon. Allan J. MacEachen (Minister of Manpower and Immigration):

1.	1967–68*	1968–69*
Newfoundland	4,119	12,014
P.E.I.	1,474	2,791
Nova Scotia	4,729	17,716
New Brunswick	4,756	8,111
Quebec	68,748	98,652
Ontario	69,049	101,216
Manitoba	5,979	15,918
Saskatchewan	4,761	10,363
Alberta	11,168	21,890
N.W.T.	—	209
British Columbia	8,625	12,314
Yukon	132	6

*Estimated

1969

	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
Newfoundland	237	97	13	19	75	2,736	707	363	103
P.E.I.	47	31	56	30	1	410	76	438	301
Nova Scotia	556	472	255	228	98	3,364	426	541	415
New Brunswick	258	95	39	674	5	3,064	1,261	402	101
Quebec	1,557	1,063	807	502	534	8,438	14,749	17,013	4,977
Ontario	5,400	2,826	3,204	2,427	2,626	6,689	5,358	4,034	3,178
Manitoba	436	317	179	88	137	1,547	328	1,036	269
Saskatchewan	416	197	39	31	71	1,133	658	170	32
Alberta	1,001	1,026	571	89	125	2,506	1,448	673	353
N.W.T.	5	—	1	—	46	2	4	12	12
British Columbia	1,544	731	427	382	365	4,449	3,535	1,473	388
Yukon	20	41	23	38	33	82	153	11	11

2.	1967–68*	1968–69
Newfoundland	3,813	Nil
P.E.I.	666	Nil
Nova Scotia	5,267	Nil
New Brunswick	3,197	Nil
Quebec	39,776	Nil
Ontario	34,671	Nil
Manitoba	5,089	Nil
Saskatchewan	3,631	Nil
Alberta	7,744	Nil
N.W.T.	58	Nil
British Columbia	6,084	Nil
Yukon	97	Nil

*Estimated

Statistical information on a monthly basis is not available for periods prior to the commencement of the 1969-70 fiscal year.

[Mr. MacEachen.]

SPECIAL ENGLISH COURSES

Question No. 1,201—**Mr. Orlikow:**

1. How many new Canadians in each province took courses in Special English under the provisions of the Manpower Training Act in each month in the years 1967, 1968 and 1969?

2. How many new Canadians in each province took courses in Special English under the provisions of the Technical-Vocational Training Act in each month in the years 1967, 1968 and 1969?

Hon. Allan J. MacEachen (Minister of Manpower and Immigration):

Questions

1.	1967-68*	1968-69*
Newfoundland	—	—
P.E.I.	—	—
Nova Scotia	468	773
New Brunswick	471	527
Quebec	6,500	6,800
Ontario	7,695	8,000
Manitoba	592	650
Saskatchewan	471	570
Alberta	1,106	1,280
N.W.T.	—	—
British Columbia	867	1,280
Yukon	—	—

*Estimated

1969*

	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
Newfoundland	—	—	—	—	—	—	—	—	—
P.E.I.	—	—	—	—	—	—	—	—	—
Nova Scotia	4	3	5	7	2	28	6	7	3
New Brunswick	—	—	—	—	—	—	—	—	—
Quebec	488	174	116	234	238	270	130	331	331
Ontario	654	638	504	631	519	707	633	517	571
Manitoba	115	77	45	16	15	45	—	45	—
Saskatchewan	24	—	—	—	—	14	—	4	8
Alberta	23	30	—	—	—	16	34	30	60
N.W.T.	—	—	—	—	—	—	—	—	—
British Columbia	60	62	53	45	92	122	116	77	58
Yukon	—	—	—	—	—	—	11	7	—

*Includes language courses in both English and French.

2. None.

Statistical information on a monthly basis is not available for periods prior to the commencement of the 1969-70 fiscal year.

*GUARANTEED ANNUAL INCOME—REQUEST FOR STUDIES

Question No. 1,240—**Mr. Nystrom:**

1. Is the government giving consideration to the implementation of a guaranteed annual income plan?

2. What Minister or Ministers are responsible for studying this question?

3. Have they produced any studies on the cost of implementing such a program?

4. What are the government's estimates of the cost of a guaranteed annual income program?

5. Is the government prepared to make public its cost-estimates analysis and other background material on the subject and, if not, for what reason?

Hon. John C. Munro (Minister of National Health and Welfare): Mr. Speaker, the answer to this question is as follows: 1. The government is giving consideration to various methods of improving federal systems of income protection now available to Canadians. Some of the methods under consideration utilize principles found in guaranteed annual income plans.

2. The prime responsibility for the current review rests with the Minister of National Health and Welfare who is being assisted by a committee of the cabinet.

3. Within the limits of available statistical data, estimates are being made of the cost of the various alternatives.

4. Since the government has reached no conclusions with respect to any particular program, no such estimates are available.

5. The government has indicated its intention of placing a white paper on social policy before parliament as soon as possible. The indicated costs of any program proposed in the white paper will be an important dimension of such proposals.

*E. B. EDDY PLANT, HULL—REQUEST FOR STUDIES ON RELOCATION

Question No. 1,323—**Mr. Mather:**

Is the Government of Canada now undertaking any studies or reviews regarding the relocation of the E. B. Eddy Plant in Hull and, if so (a) which department or agency is involved in these plans (b) on what date is it anticipated that the results of these studies will be known?

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the answer to this question is, no.

Orders for Returns

*UNEMPLOYMENT—MEDIAN DURATION FOR 1967, 1968, 1969

Question No. 1,377—**Mr. Fairweather:**

[*Translation*]

Mr. Rosaire Gendron (Parliamentary Secretary to Minister of Manpower and Immigration): Mr. Speaker, the answer to that question is given under the form of a table and is therefore difficult to read. I would ask the leave of the House to make it appear in *Hansard* today and to consider it as read.

Mr. Speaker: Agreed?

Some hon. Members: Agreed.

[*Editor's Note: The abovementioned question reads as follows:*]

Question No. 1,377—**Mr. Fairweather:**

What is the median duration of unemployment in each of the regions of Canada for the years 1967, 1968 and 1969?

Hon. Allan J. MacEachen (Minister of Manpower and Immigration):

Median duration of unemployment
(Months)

Region	1967	1968	1969
Atlantic	1.9	2.0	2.0
Quebec	1.8	2.0	2.3
Ontario	1.2	1.7	1.5
Prairie	1.1	1.5	1.5
Pacific	1.6	1.9	1.6
Canada	1.6	1.8	1.9

Source: DBS, The Labour Force Survey.

[*English*]

QUESTIONS PASSED AS ORDERS FOR RETURNS

BUREAU OF STATISTICS' EMPLOYEES

Question No. 535—**Mr. Latulippe:**

1. Since April 1969, how many new employees, by class, salary group, country of origin, mother tongue and ethnic group, have been taken on strength by the Dominion Bureau of Statistics?

2. How many DBS employees have Canadian citizenship?

3. Since April 1969, what amount was spent for travel purposes by the Dominion Bureau of Statistics, and (a) how many persons were involved (b) what was the purpose of their trips and their destination?

Return tabled.

[Mr. Forest.]

IMMIGRATION 1950-1969

Question No. 1,065—**Mr. Robinson:**

1. How many immigrants have come to Canada during each year 1950 to 1969 inclusive and from what countries did they come?

2. How many immigrants came to Canada in each year 1950 to 1969 inclusive within the following age brackets (a) up to 10 years (b) 11-20 (c) 21-30 (d) 31-40 (e) 41-50 (f) 51-60 (g) 61 and over?

Return tabled.

DEPARTMENT OF INDIAN AFFAIRS—TEACHING STAFF

Question No. 1,105—**Mr. Orlikow:**

1. How many teachers are employed by the Department of Indian Affairs and Northern Development?

2. What are the minimum qualifications (academic) required for teachers hired by the Department of Indian Affairs and Northern Development?

3. (a) How many teachers working for the Department of Indian Affairs and Northern Development have more than the minimum academic qualifications required (b) how many have a Bachelor of Arts, Bachelor of Science or Bachelor of Education degree?

4. What is the salary range for teachers working for the Department of Indian Affairs and Northern Development—minimum, maximum, yearly increments, etc.?

5. Is the Department of Indian Affairs and Northern Development giving consideration to the payment of a bonus or an allowance similar to the $1,000 bonus now being paid by the Ontario Department of Education to teachers in isolated northern schools?

Return tabled.

Mr. McCleave: Mr. Speaker, on a question of privilege, may I call attention to the fact that I placed a starred question on the order paper on February 17 dealing with navigational matters and information available to the captain of the *Arrow* the ship that went aground off the coast of Nova Scotia. This question has been on the order paper for more than two weeks and I think it should be answered quickly.

Mr. Forest: I will look into the matter.

Mr. MacLean: Mr. Speaker, I placed a question on the Order Paper on November 20 last which I would have asked orally but I did not want to infringe the rule and take the time of the House. It has to do with the winter ferry service between Cape Tormentine and Borden, Prince Edward Island. I wonder whether the question could be answered before the winter is over?

Mr. Forest: I will inquire, Mr. Speaker.

Mr. Lewis: Mr. Speaker, on October 23 I placed some questions on the Order Paper with respect to expenditures on foreign aid during the fiscal year 1968-69. That was quite a few months ago. I wonder whether the Secretary of State for External Affairs could see to it that the questions are answered without much more delay?

Mr. Broadbent: Mr. Speaker, on October 23, almost five months ago, I placed questions Nos. 162 to 171 on the order paper. It would seem to me that answers are long overdue. I wonder if this delay could be looked into as well?

Mr. Forest: To answer the hon. member, I would point out that the answers to his questions involve some 800 companies and that the tracing of the ultimate ownership of these companies is a long process. However, the answers should be forthcoming shortly.

Mr. Burton: On December 9 I placed a question on the order paper concerning consultations between the government of Saskatchewan and the government of Canada on the subject of potash. The question was relatively simple to deal with and I had hoped it would be possible to supply the information before now.

MOTIONS FOR PAPERS

[*Translation*]

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, notices of motions for the production of papers Nos. 340 and 355 are acceptable to the government.

[*English*]

Mr. Speaker: Is it the pleasure of the House that notices of motions Nos. 340 and 355 be deemed to have been adopted?

Some hon. Members: Agreed.

DELIVERY OF MATERIAL REQUIRED BY GREAT BRITAIN

Motion No. 340—**Mr. Broadbent:**

That an Order of the House do issue for a copy of the December, 1969 Order-in-Council authorizing the Minister of National Defence to deliver to Canadian Commercial Corporation material required by the Government of Great Britain.

Motion agreed to.

Motions for Papers

SECONDARY INDUSTRY—WEIGHTED MEASURES OF ECONOMIC GROWTH RATES AND POTENTIAL

Motion No. 355—**Mr. Burton:**

That an Order of the House do issue for a copy of any report or other document which describes the weighted measures of rates of economic growth (employment, income and population) and of potential for secondary industry which were used by the Department of Regional Economic Expansion as *criteria* in designating the entire Provinces of Nova Scotia, New Brunswick and Prince Edward Island under the Regional Development Incentives Act.

Motion agreed to.

[*Translation*]

Mr. Forest: Mr. Speaker, notice of motion No. 24 is acceptable to the government subject to the usual conditions as regards confidential documents and to the approval of the government authorities concerned.

[*English*]

Mr. Speaker: Subject to the reservations or conditions expressed by the Parliamentary Secretary, is it the pleasure of the House that notice of motion No. 24 be deemed to have been adopted?

Some hon. Members: Agreed.

LAND EXPROPRIATION BILL

Motion No. 24—**Mr. Gilbert:**

That an Order of the House do issue for copies of all correspondence received by the Government of Canada commenting on the proposed Land Expropriation Bill.

Motion agreed to.

[*Translation*]

Mr. Forest: Mr. Speaker, would you be so kind as to call notices of motions Nos. 80, 163, 164, 201, 228, 229, 349, 357, 360, 371, 373 and 386?

I ask, Mr. Speaker, that the remaining notices of motions be allowed to stand.

[*English*]

ANTI-POLLUTION REGULATIONS

Motion No. 80—**Mr. Barnett:**

That an Order of the House do issue for copies of all correspondence between the Government of Canada and Canadian shippers regarding proposals for anti-pollution regulations for commercial vessels.

Mr. Gérard Loiselle (Parliamentary Secretary to Minister of Transport): Mr. Speaker, I believe the motion is acceptable, subject to

the reservation that it refers to oil pollution and sewage pollution correspondence dating from January 1, 1967.

Mr. Speaker: Subject to the reservations or conditions expressed by the Parliamentary Secretary, is it the pleasure of the House that Notice of Motion No. 80 be deemed to have been adopted?

Some hon. Members: Agreed.

Motion agreed to.

POST OFFICE—FEASIBILITY AS CROWN CORPORATION

Motion No. 163—**Mr. Orlikow:**

That an Order of the House do issue for a copy of the two consultant studies on the feasibility of the Post Office as a Crown corporation as mentioned in answer to Question Number 2,349 on October 22, 1969.

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, I am informed by the Minister of Communications that the information requested by the hon. member may be obtained in the report "Blueprint for Change" which was tabled in the House on December 11, 1969. As a consequence, I would therefore ask the hon. member to withdraw his motion.

Mr. Orlikow: Mr. Speaker, on the assumption that the information is correct, I agree.

Mr. Speaker: Motion dropped.

Order discharged and motion withdrawn.

POST OFFICE—PRODUCTIVITY STUDY

Motion No. 164—**Mr. Orlikow:**

That an Order of the House do issue for a copy of the consultant study on productivity in the Post Office by Price, Waterhouse Associates reported to the government on April 18, 1969 as mentioned in answer to Question Number 2,349.

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, I am informed by the Minister of Communications that the information requested by the hon. member may be obtained in the report "Blueprint for Change" which was tabled in the House on December 11, 1969. As a consequence, I would therefore ask the hon. member to withdraw his motion.

Mr. Orlikow: I agree.

Mr. Speaker: Motion dropped.

Order discharged and motion withdrawn.

[Mr. Loiselle.]

REMISSION ORDER, MOTOR VEHICLES CUSTOMS DUTIES

Motion No. 201—**Mr. Broadbent:**

That an Order of the House do issue for copies of all correspondence, agreements and arrangements between the Government of Canada and the Canadian automobile manufacturers regarding custom duties related to Order-in-Council P.C. 1969-172: "Financial Administration Act; Customs Act Motor Vehicles General Remission Order".

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, there are no agreements or arrangements relating to this motion. Some correspondence on this subject was tabled on April 26, 1965 and on September 16, 1968, as well as a letter which was made available to the Public Accounts Standing Committee on June 17, 1969. Other correspondence is proprietary in nature and its disclosure is not in the best interests of government industrial relations. In view of this, the minister would ask the hon. member to withdraw his motion.

Mr. Broadbent: I agree.

Mr. Speaker: Motion dropped.

Order discharged and motion withdrawn.

Motion No. 228—**Mr. Skoberg:**

That an Order of the House do issue for a copy of the consultant report by Public Industrial Relations Limited, a public relations study, undertaken for the Department of Labour in the fiscal year 1968-69, as mentioned in answer to Question Number 1,323 of the past Session.

Mr. Jim McNulty (Parliamentary Secretary to Minister of Labour): Mr. Speaker, the reply of the Department of Labour to question No. 1,323, placed on the Order Paper during the last session by the hon. member for Moose Jaw, may have been misleading. In that reply we referred to a "public relations study" done by Public and Industrial Relations Limited. We apologize for any misunderstanding created by the rather broad interpretation taken in response to the question.

Public and Industrial Relations Limited were in fact engaged under contract to supplement the resources of our information branch in order to cope with a heavy work load placed on the branch during the 50th anniversary of the ILO, and particularly the organization of the National Tripartite Conference on Labour Relations.

Mr. Speaker: Order. The hon. member cannot make a statement. He should explain as briefly as possible why the document cannot be produced.

Mr. McNulty: In the circumstances we would respectfully ask the hon. member to withdraw his motion.

Mr. Skoberg: I agree. Perhaps the hon. member would complete his explanation later today.

Mr. Speaker: Motion dropped.

Order discharged and motion withdrawn.

Motion No. 229—**Mr. Skoberg:**

That an Order of the House do issue for a copy of the consultant report by Canadian Facts Company Limited, on a public opinion survey undertaken for the Department of Labour in the fiscal year 1968-69, as mentioned in answer to Question Number 1,323 of the past Session.

Mr. Jim McNulty (Parliamentary Secretary to Minister of Labour): Mr. Speaker, the public opinion survey made for the Department of Labour by Canadian Facts Company Limited was prepared for internal, confidential use. Under the circumstances we would ask the hon. member to withdraw his motion.

Mr. Skoberg: In view of the information provided by this survey, I would call for a vote.

Mr. Macdonald (Rosedale): Transfer for debate.

Mr. Speaker: Transferred for debate.

CORRESPONDENCE WITH U.S. AND U.K. GOVERNMENTS RESPECTING FARM MACHINERY

Motion No. 349—**Mr. Gleave:**

That an humble Address be presented to His Excellency praying that he will cause to be laid before this House copies of all correspondence, memoranda, etc., between the Government of Canada and the Governments of the United States and the United Kingdom regarding the subject of farm machinery as referred to by the Minister of Agriculture and reported in *Hansard* of January 19, 1970 at page 2530.

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the limited amount of correspondence that has passed between the government of Canada and the governments, respectively, of the United Kingdom and the United States on this subject is part of exchanges of views on this matter which are continuing and which, to achieve the desired results, must by their nature remain confidential. As it would not be in the public interest to table the documents, I would accordingly ask the hon. member to withdraw his motion.

Mr. Gleave: Mr. Speaker, I would ask that this be transferred—oh, I will withdraw, Mr. Speaker.

Order discharged and motion withdrawn.

REPORTS ON CONFERENCE OF INDIAN CHIEFS AT KAMLOOPS

Motion No. 357—**Mr. Howard (Skeena):**

That an Order of the House do issue for a copy of all reports prepared by any employee of the Government of Canada or any agency, department or branch thereof and specifically, a Mr. Glynn and a Mr. Smith, who attended the Conference of Chiefs held in Kamloops, B.C. from November 17 to 22, 1969.

Mr. Russell C. Honey (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, the report the hon. member is requesting was prepared by departmental officals on a confidential basis for the information of senior officers of the department and is privileged. I regret that I cannot accede to the hon. member's request and I would ask that he withdraw the motion.

Mr. Speaker: Transferred for debate.

Mr. Howard (Skeena): Mr. Speaker, I did not ask that it be transferred for debate.

Mr. Honey: I do.

Mr. Speaker: It has been requested that it be transferred for debate.

Mr. Howard (Skeena): Mr. Speaker, I should like to rise on a point of order which relates to the specific request of the hon. member that the motion be transferred for debate. My point of order also relates to Standing Order 48(1) which provides that Notices of Motions for the Production of Papers should be placed under a certain heading, and then states as follows;

All such notices, when called, shall be forthwith disposed of; but if on any such motion a debate be desired by the members opposing it or by a Minister of the Crown, the motion will be transferred by the Clerk to the Order of "Notices of Motions (Papers)".

The key point here is found in the words "forthwith disposed of", coupled with the fact that I do not desire any debate and did not request that the motion be transferred for debate. The Parliamentary Secretary—whether he is a minister or not may not be too

important—requested that it be transferred for debate. I submit that his request is not legitimate because the purpose of the request is not to transfer the motion for debate. There is no intention on the part of the government to debate this motion. I point out that the abuse by the government of this provision in the rules has gone on for some time. The subterfuge of transferring such a motion for debate is simply used for the purpose of preventing any debate.

Some hon. Members: Hear, hear.

Mr. Howard (Skeena): Mr. Speaker, not counting the motions transferred for debate today at the request of the government, there are 55 Notices of Motions for the Production of Papers on the Order Paper which have been set down for debate, if and when the opportunity ever arises. If you look at the situation even casually you will find, with 55 Notices of Motions for the Production of Papers standing now on the Order Paper for debate, that it is impossible for the particular motion now before us ever to come up for debate.

I submit that you should rule that the request by the Parliamentary Secretary to the minister to transfer this motion for debate is not a legitimate request but simply a subterfuge for the purpose of refusing to provide the information or even any explanation to the country and particularly to the native Indian people involved in the All-Chiefs Conference to which this motion relates, which was attended by two spies of the government for the purpose of developing some secret document which is to be denied to the native Indian people.

Mr. Chrétien: Mr. Speaker, I rise on a question of privilege. I think I have a question of privilege because the hon. member stated there were two spies there. The two officials of my department who were there were invited by the Indians. It was an open meeting with the press there, and I will not stand for that allegation by the hon. member for Skeena.

Some hon. Members: Hear, hear.

Mr. Speaker: Order, please.

Mr. Howard (Skeena): Why didn't you tell them to get out?

Mr. Speaker: Order, please. I do not think this is a legitimate question of privilege. It is a point of debate between the hon. member and the minister and possibly other hon. members. But the point of order raised by the hon. member for Skeena (Mr. Howard) is of some interest. Of course the Chair has to read the Standing Order as it is, and I cannot read the minds of hon. members or of ministers who ask, pursuant to Standing Order 48, that a motion be transferred for debate. The Standing Order is quite clear:

> —if on any such motion a debate be desired by the member proposing it or by a Minister of the Crown, the motion will be transferred by the Clerk to the order of "Notices of Motions (Papers)".

When this motion, as in the case of a few other motions this afternoon, was called, a minister of the Crown asked that it be transferred for debate. The hon. member claims this request is not made for the purpose of having a debate. If, as I said, the hon. member wants the Chair to interpret what is in the minds of those who seek to have these motions transferred for debate, I cannot do that. I can only interpret the Standing Order, which is very clear. I have to rule that the motion has effectively been transferred for debate.

STANBURY-FIELDS REPORT

Motion No. 360—**Mr. Howard (Skeena):**

> That an Order of the House do issue for a copy of the Stanbury-Fields report.

He said: I will try again.

Mr. Russell C. Honey (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, this report has been requested on several occasions by hon. members. The minister has stated that the report was prepared on a confidential basis. It remains in that category. In these circumstances I would ask the hon. member to withdraw the motion.

Mr. Howard (Skeena): I cannot possibly agree to that. This is another denial of information to the Indian people. My friend over here who rose on a question of privilege a while ago—

Mr. Speaker: Order.

Mr. Macdonald (Rosedale): Transfer for debate.

Mr. Speaker: Order, please. A minister of the Crown has asked that the motion be transferred.

CONVERSION OF PUBLIC WORKS DEPARTMENT INTO CROWN CORPORATION

Motion No. 371—**Mr. Gilbert:**

That an Order of the House do issue for copies of all studies, reviews, etc., that have been undertaken by the Government of Canada regarding the consideration being given to converting the Public Works Department into a Crown corporation.

Hon. Arthur Laing (Minister of Public Works): Mr. Speaker, all studies on this subject are of a confidential nature and intended for internal use only. Therefore I ask the hon. member to withdraw his motion.

Mr. Gilbert: Rather than say "transferred for debate" I will just say "transferred".

Mr. Macdonald (Rosedale): Transfer for debate.

Mr. Speaker: The motion is transferred for debate.

FEDERAL-PROVINCIAL TAX STRUCTURE COMMITTEE REPORT

Motion No. 373—**Mr. Saltsman:**

That an humble Address be presented to His Excellency praying that he will cause to be laid before this House a copy of the Report of the Federal-Provincial Tax Structure Committee presented to the Federal-Provincial Conference on February 16-17, 1970.

Mr. Yves Forest (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the requested report was tabled by the Prime Minister on February 18, 1970, as Sessional Paper No. 5/5. In the circumstances the hon. member may wish to withdraw the motion.

Mr. Saltsman: Agreed.

Mr. Speaker: The motion is dropped.

Order discharged and motion withdrawn.

FEASIBILITY STUDY OF B.C. UNDERWATER PARK

Motion No. 386—**Mr. Barnett:**

That an Order of the House do issue for a copy of the feasibility study regarding the establishment of an underwater park in the Gulf of Georgia, B.C. as mentioned by the Minister of Indian Affairs and Northern Development in *Hansard* of February 13, 1970 at page 3569.

Mr. Russell C. Honey (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, I have spoken to the hon. member and have informed him that the English *Hansard* of February 13 erroneously quoted the minister as stating that a feasibility study has been started by the department. In fact, what the minister said, and this was clearly stated in the French *Hansard* of that date, is that the department was studying the matter. No feasibility study has been made. Under the circumstances, I understand that the hon. member is willing to withdraw the motion.

Mr. Barnett: Mr. Speaker, I will be glad to withdraw the motion and when my spies tell me the feasibility study has been undertaken I will bring it up again.

Order discharged and motion withdrawn.

Mr. Speaker: Shall the remaining Notices of Motions stand?

Mr. Stanfield: Mr. Speaker, last week I reminded the Minister of Finance that on December 17 I requested an order for copies of all letters, submissions, commentaries, memoranda, briefs, petitions, protests, grievances, papers and other documents received by the government of Canada in respect of the White Paper on Proposals for Tax Reform. I should have thought this would be an easy motion to comply with, Mr. Speaker. May I ask the Minister of Finance what progress has been made to date?

Mr. Benson: Mr. Speaker, I have looked into this and a reply will be given to my hon. friend. I wonder whether he is willing to pay for the cost of copying these thousands of documents.

ORAL QUESTION PERIOD

TAXATION

WHITE PAPER ON REFORM—EFFECT ON CANADA-UNITED STATES TAX AGREEMENT

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to ask the Minister of Finance whether his department or any other emanation of the government has had discussions with the United States authorities about the existing tax agreement between the two countries with a view to determining what changes would be required by the United States authorities in that agreement if the proposals incorporated in the white paper should become law?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, there has not been discussion with regard to the proposals because the proposals have not become law and we

cannot tell what parts will become law. However, the United States authorities have been provided with copies of the proposals put forward by the government in the white paper.

Mr. Stanfield: In other words, the minister is saying in effect that he has no idea how the agreement would have to be changed in those circumstances.

THE CANADIAN ECONOMY

FOREIGN OWNERSHIP OF CANADIAN CORPORATIONS—METHOD OF OBTAINING INFORMATION

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to ask the Minister of Finance whether he has established any effective mechanism for furthering decisions that will be made with regard to both foreign investment in Canada in shares or the sale of control of Canadian corporations by Canadian companies? Has the minister established any effective mechanism to follow these developments apart from the more sensational notifications which may be published in the press?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, as the Prime Minister indicated to the House yesterday, the matter of foreign ownership is being studied by the government and will be considered by the cabinet in the relatively near future. When the government has reached a decision, such decision in the general area will be made public.

Mr. Stanfield: But, Mr. Speaker, would the minister now answer the question I asked him? Perhaps he did not understand it. Sometimes we all fail to understand things. I asked the minister whether he had established any mechanism to follow the decisions that are being made with regard to either the deferment of investment in Canada by outsiders or the sale of control of Canadian corporations by Canadians? Has the minister established any mechanism so that he and the country will know what is going on and so that the government will have information on which to base decisions?

Mr. Benson: Mr. Speaker, of course the Minister of Consumer and Corporate Affairs indicated the information with regard to takeovers which he had in his department. That information is available to the government. I have no spies out, if this is what my hon. friend means, watching what goes on every day in every company in the country in order to try to find out their intentions from day to day.

Mr. Stanfield: Mr. Speaker, surely it is not a question of sending out spies. Would the minister consider the question of establishing some machinery so that the country will know what is going on?

Mr. Speaker: Order. It seems to me the Leader of the Opposition is repeating the question asked before.

Mr. Les Benjamin (Regina-Lake Centre): Mr. Speaker, may I ask the Minister of Finance a supplementary question. In view of the action taken in the case of the uranium company, will the government give consideration to taking similar action in respect of independent Canadian owned oil or gas exploration or production companies where negotiations are presently going on for sale to United States companies?

Mr. Benson: Mr. Speaker, I believe I answered this question by saying the government was looking at the matter of foreign ownership and control in Canada and that we would be announcing our policy in due course.

Hon. George Hees (Prince Edward-Hastings): I have a supplementary question, Mr. Speaker. Is the government moving toward adopting the policy advocated by Mr. Walter Gordon when he was Minister of Finance with regard to foreign ownership and control of Canadian corporations?

Mr. Benson: I think the government's actions speak for themselves. What I could say is that the Hon. Walter Gordon would give better advice than would my hon. friend.

Mr. Speaker: Order, please.

PROPOSED TAKEOVER OF DENISON MINES BY U.S. INTERESTS

Mr. David Lewis (York South): Mr. Speaker, in the absence of the Prime Minister, who according to press reports was to meet with Mr. Roman at noon today and who so far as I know may still be meeting with him, I should like to ask the Acting Prime Minister whether he can assure the House that the meetings with the head of Hudson's Bay and the head of Roman's outfit have not changed the government's position and that the government will remain firm about not allowing the takeover of Denison Mines?

Hon. E. J. Benson (Minister of Finance): This is what we heard this morning, but these were meetings in order that the government could get specific information from the companies, and no more.

Mr. Lewis: May I ask the minister whether he is in a position to give the House an assurance that the government will not change the position announced by the Prime Minister the other night?

Mr. Benson: The government's policy was announced by the Prime Minister the other evening and we have not changed it.

Mr. Lewis: I have a further supplementary question. May I ask the minister whether the government is giving consideration to letting Eldorado buy out Mr. Roman's interest in Denison Mines and thus make sure that not only will this large uranium reserve remain in Canadian hands but that it will be under public ownership?

Mr. Benson: Not at the moment.

Mr. John Gilbert (Broadview): My question is for the Minister of Finance. Is he considering a foreign takeover tax to stop foreign takeovers in Canada?

Mr. Benson: No, Mr. Speaker. As my hon. friend knows, it would not be successful.

Mr. Gilbert: It has never been tried.

Mr. Maurice Foster (Algoma): I have a supplementary question for the Minister of Finance. In view of the government's position regarding the prevention of the sale of Denison Mines to a foreign company, will the government in the future require that any future development of uranium mines in Canada have a majority Canadian ownership.

Some hon. Members: Hear, hear!

Mr. Benson: Of course this question has to be considered by the government in light of the policy announced by the Prime Minister.

Mr. Eldon M. Woolliams (Calgary North): In view of the last question and the minister's answer, will he be applying this principle only to uranium companies or does he intend to apply it to the petroleum industry and all other industries in Canada?

Mr. Benson: My hon. friend must remember that the uranium industry is one that has been declared for the general benefit of Canada and is specifically under federal control.

Mr. Woolliams: Following that answer, is the minister suggesting that the other industries I mentioned are not for the benefit of Canada?

Some hon. Members: Oh, oh!

Mr. Benson: Mr. Speaker—

Mr. Speaker: Is the minister rising on a point of order?

Mr. Benson: I am rising on a question of privilege, Mr. Speaker. Of course all industries are for the benefit of Canada, but this particular industry was declared so by this Parliament.

Mr. Lorne Nystrom (Yorkton-Melville): Is the government planning to issue a comprehensive statement regarding foreign ownership in Canada?

Mr. Benson: I have already answered that question.

Mr. Paul Yewchuk (Athabasca): My supplementary question also is for the Minister of Finance. I wonder whether the answers which he gave to the previous questions indicate a trend and a desire on the part of this government to take over foreign controlled companies?

Mr. Benson: No, Mr. Speaker.

Mr. Speaker: The question is not in order.

[*Translation*]

TAXATION

WHITE PAPER ON REFORM—POSSIBILITY OF WITHDRAWAL

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I have a question for the Minister of Finance.

In view of the increasing opposition of the Canadian people to the white paper on taxation, could the minister inform the House whether he intends to withdraw it?

Mr. Speaker: I take the liberty to suggest to the hon. member that questions almost along the same line have been asked a few days ago. However, perhaps the minister can answer the hon. member's question.

[*English*]

Hon. E. J. Benson (Minister of Finance): I hold parliamentary committees in great respect, and the proposals are before a parliamentary committee. I hope members of my

hon. friend's party as well as members of the official opposition will play their full part in the work of the committee.

Some hon. Members: Hear, hear.

Mr. Speaker: Order, please. The Chair recognizes the Leader of the Opposition for a supplementary question.

[*Translation*]

Mr. Caouette: Mr. Speaker, I have a supplementary question.

Mr. Speaker: I shall recognize the hon. member for Témiscamingue later.

[*Later:*]

Mr. Caouette: Mr. Speaker, I wish to put a question to the Minister of Finance, if he is listening. He is not listening to me—

Mr. Speaker: Order. The hon. member for Témiscamingue has the floor. He should be allowed to ask his question.

Mr. Caouette: I merely ask that the Minister of Finance be kind enough to listen to my supplementary question, Mr. Speaker.

He is asking members of my party as well as opposition members to take an active part in the work of the committee. Is he in a position to state that he has the full co-operation of government members for this purpose?

[*English*]

Mr. Benson: I can give this assurance.

Mr. Speaker: Order, please.

WHITE PAPER ON REFORM—SUPPLEMENTARY DOCUMENTS

Hon. Robert L. Stanfield (Leader of the Opposition): I should like to ask the Minister of Finance whether he will play his full part with regard to the consideration of this measure by filing the supplementary documents which he promised he would file before the end of January?

Some hon. Members: Hear, hear.

Hon. E. J. Benson (Minister of Finance): The committee has been very busy dealing with other matters, but—

Mr. Horner: Resign and get it over with.

Mr. Benson: —I approved the document yesterday and it is being mailed to the chairmen of both committees.

[Mr. Benson.]

HEALTH AND WELFARE

COST OF NURSING HOME CARE

Mr. P. B. Rynard (Simcoe North): I would like to address a question to the Minister of National Health and Welfare. On January 28 I asked him whether, in view of the increasing number of older people who are being discharged from hospitals to nursing homes for further care and who find themselves without funds and not covered by a hospitalization service for which they paid for many years, the minister has discussed this problem with his provincial counterparts or has some plan to cover the cost of such care for these people?

Hon. John C. Munro (Minister of National Health and Welfare): Would the hon. gentleman make it clear if he is talking about financial assistance to the institutions or to the people involved?

Mr. Rynard: To the nursing homes to which these people have to go.

Mr. Munro: There is no sharing formula under hospitalization or the Canada Assistance Plan to provide assistance in these particular cases.

Mr. Rynard: I have a supplementary question, Mr. Speaker. Has the minister discussed this with his appropriate counterparts to see whether these people can be covered by hospitalization? They paid for it for many years and now find themselves without any funds to go into a nursing home.

Mr. Stanfield: The just society.

Mr. Munro: I am quite prepared to have this item put up for discussion at the next federal-provincial ministers conference.

Mrs. Grace MacInnis (Vancouver-Kingsway): Will this matter be included within the scope of discussions about the new social security framework which is being discussed?

Mr. Stanfield: The member means frame-up.

Mr. Munro: I would think that the proposals, whatever they may be, which will be covered in any new policy will have their effect in a particular instance such as this, but I cannot be more specific than that at present.

POLLUTION

CHEDABUCTO BAY—PAYMENT OF COMPENSATION

Mr. J. M. Forrestall (Dartmouth-Halifax East): My question is for the Minister of Transport. Can the minister indicate now, not only to the House but to the people in the Cape Breton area, what procedure should be followed in order to make application for compensation as a result of damage from the *Arrow*?

Hon. Donald C. Jamieson (Minister of Transport): We are making plans in this regard at the moment. Some discussions have already been held with the fishermen in the area. My colleague the Minister of Fisheries and Forestry and I had a meeting this morning and we are trying to devise a plan first of all to discover the extent of the existing damage and consequently what steps might be taken if fisheries are adversely affected.

SOUTH COAST OF NEWFOUNDLAND—LIABILITY FOR OIL SPILL

Mr. John Lundrigan (Gander-Twillingate): Can the minister say whether the department has determined the liability for oil pollution on the south coast of Newfoundland, and if so will the department be taking any action accordingly?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, this oil spill is also the subject of an investigation. I think it is generally conceded it was the result of a spill from an oil barge. Whether that could be legally conceded is another question. We are now looking into it through the usual methods and through the Canada Shipping Act.

ANNOUNCEMENT OF PUBLIC INQUIRY INTO GROUNDING OF "ARROW"

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, while I am on my feet may I be permitted to say that we will be holding a public inquiry into the grounding of the *Arrow*. Perhaps I had not made that clear.

SECOND VOYAGE OF "MANHATTAN"—REGULATIONS TO BE IMPOSED

Mr. James A. McGrath (St. John's East): Mr. Speaker, I have a supplementary or perhaps more of a related question to the Minister of Transport. Is the minister prepared to table in the House the regulations that will be presented to the Humble Oil Company conditional on our providing that company or their vessel with icebreakers?

Mr. Speaker: Order, please. This is hardly supplementary but the question having been asked perhaps it should be answered.

Hon. Donald C. Jamieson (Minister of Transport): I answered it yesterday, Mr. Speaker, and I said that I saw nothing wrong with the principle and I would be quite prepared to do it to the extent of my authority.

Mr. Baldwin: Will it be after the vessel's return?

CHEDABUCTO BAY—EXTENT OF LIABILITY

Mr. H. Russell MacEwan (Central Nova): I have a supplementary question, Mr. Speaker. In view of reports that the clean-up in Chedabucto Bay is costing around $50,000 a day, does the federal government believe that its liability is limited only to the amount which would be paid by the pool of ship operators?

Mr. Speaker: I doubt whether that question is in order. The hon. member is asking the government to express a legal opinion in specifically these terms. I doubt whether that would be acceptable procedure. The hon. member for Halifax-East Hants on a supplementary.

NATURE OF INQUIRY INTO GROUNDING OF "ARROW"—PAYMENT OF COMPENSATION

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, my supplementary question to the Minister of Transport involves the public inquiry into the grounding of the *Arrow*. Can the minister say whether the inquiry will be conducted by somebody completely divorced from his own department and the oil industry and, second, how generous are the terms for the inquiry?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, it will be conducted by a judge; I have not the name of the gentleman as yet but he will probably be a maritime judge. I agree with the hon. member that that guarantees fairness in the matter. Of course it will be a public inquiry and I have arranged that the terms of reference shall include the Canada Shipping Act, which has to do with the actual grounding of the vessel, and I am also arranging to have his appointment covered under the Inquiries Act so that he can extend the scope of it to cover all subsequent events.

Mr. Yewchuk: On a point of order, Mr. Speaker, I want to object to the suggestion of the minister that judges who are not maritime judges are not fair.

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, it is not a question of fairness, it is a question of native intelligence. I have a supplementary question for the minister. In deference to the fishermen and other people involved, could the minister give some indication as to the timing? Could the minister indicate whether he or his colleague, the Minister of Fisheries, would be in a position to inform the people of this area, say by the end of March or the end of April, as to what course is to be followed?

Mr. Jamieson: Mr. Speaker, at the earliest possible moment. There are three items involved. One is the matter of equipment and gear and that type of thing which may have been damaged by oil. It is a fairly simple thing to determine what actually has been damaged. The second is the matter of the ground fisheries and the potential effects, and the third is the lobster fishery. The timing in each case is somewhat different but there are consultations going on with representatives of the fishermen. I understand a group has been appointed there to carry on these discussions, and I shall be glad to keep the House advised.

SECOND VOYAGE OF "MANHATTAN"—REINFORCEMENT OF HULL

Mr. Randolph Harding (Kootenay West): Mr. Speaker, I have a question for the Minister of Transport. In view of statements made yesterday by officials of Humble Oil Company that there would be no major changes in the construction of the hull of the *Manhattan* and in view of the significant damage to the *Manhattan*'s hull on her first trip through the Northwest Passage, can the minister indicate to the House whether he is requesting major reinforcement changes in the hull of the *Manhattan*?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I have not heard or been advised of any statement by Humble Oil. I would much prefer to deal with their statement and those that come to me formally than any offhand reports of this nature.

Mr. Harding: I have a supplementary question, Mr. Speaker. Will the minister consider a moratorium on the second trip of the *Manhattan* until such major construction changes are made in its hull in order to avoid another possible major oil pollution catastrophe?

Mr. Jamieson: Mr. Speaker, having said in the first instance that I wanted to look at the formal comments from Humble Oil, obviously that flowed into the second question of the hon. gentleman.

An hon. Member: You are a servant of the oil company.

Mr. J. P. Nowlan (Annapolis Valley): A supplementary question to the Minister of Transport. I thought it was going to be a calm house today, Mr. Speaker, so I have a calm and cool question for the Minister of Transport. He says he wants to hear officially from the Humble Oil Company. Has the minister or the Secretary of State for External Affairs formally requested from the Humble Oil Company a report on the ship and the route and any damage that occurred to the ship when it went through the Northwest Passage the first time? If so, what was the reply?

Mr. Jamieson: I think we have some information on this, Mr. Speaker, but rather than give anything less than a calm and cool retort to my hon. friend I will take the question as notice and advise him later.

BRITISH NORTH AMERICA ACT

REQUEST FOR AMENDMENTS TO PROTECT ENGLISH AND FRENCH EDUCATION

Mr. Warren Allmand (Notre-Dame-de Grâce): Mr. Speaker, I have a question for the Acting Prime Minister. Would he tell the House whether the government has received a request from the Protestant School Board of greater Montreal asking the government to introduce amendments to the British North America Act to protect English and French education in Canada?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I have not received it as Secretary of State for External Affairs but I shall inquire of the Prime Minister's office.

TAXATION

WHITE PAPER ON REFORM—UNREALIZED CAPITAL GAINS

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, my question is for the Minister of Finance. Is it the government's intention to proceed with its plan to tax unrealized capital gains, as this is both unfair and unworkable and is making the minister

and the government the laughingstock of the country?

Mr. Speaker: The hon. member will appreciate that the question is not acceptable in its present terms. The hon. member for Greenwood.

EXTERNAL AFFAIRS

RHODESIA—CANADIAN POSITION RESPECTING ECONOMIC SANCTIONS

Mr. Andrew Brewin (Greenwood): Mr. Speaker, my question is for the Secretary of State for External Affairs. In light of Rhodesia declaring itself a republic, is the minister going to take the opportunity to make a statement on whether Canada will be relaxing, maintaining or increasing the economic sanctions against Rhodesia?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I may have occasion to make a more complete statement later, but I can say that we have no intention of relaxing any of the sanctions that have been applied against this country or any intentions of recognizing it.

[*Translation*]

NIAMEY—COMPOSITION OF CANADIAN DELEGATION TO EDUCATIONAL CONFERENCE

Hon. Martial Asselin (Charlevoix): Mr. Speaker, I should like to put a question to the Secretary of State.

As the Niamey conference will take place soon, is the minister in a position to tell if there has been any agreement with the Quebec government so that the latter may be represented there?

[*English*]

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, we are having discussions with the Quebec government now which have not been quite completed. We are quite anxious, of course, that all provinces having a significant French-speaking group should be present at the Niamey conference. There is no disagreement amongst any of us on that point. We are insisting, however, that at the conference, which is an international conference between sovereign countries, Canada should be the delegate with the support of the other provincial delegations who have an interest in the subject matter.

[*Translation*]

Mr. Asselin: Mr. Speaker, I should like to ask a supplementary question.

Due to the importance of this conference for Quebec, which is the homeland of French Canadians, can the minister tell us if the federal government has offered to Quebec the co-chairmanship of that delegation?

[*English*]

Mr. Sharp: Mr. Speaker, we are offering to recognize the very special place that Quebec has as the principal French-speaking province.

[*Translation*]

Mr. Réal Caouette (Témiscamingue): Mr. Speaker I would like to ask a supplementary question.

Is the minister in a position to tell us whether the Canadian delegation to this Conference of French-speaking countries will be headed by a French-speaking federal member of Parliament and not by someone from some provincial organization?

[*English*]

Mr. Sharp: Mr. Speaker, there is some confusion here and perhaps I can dispel a little of it. So far as what might be termed the constitutional conference is concerned, the representative of Canada when the constitution of the new agency is being formed will, of course, be a Canadian minister. I expect he will be one of our more distinguished French speaking ministers.

Mr. Stanfield: That could include the minister.

An hon. Member: Where do you draw the line?

Mr. Sharp: For any subsequent conferences held under the aegis of this new constitution there could be, of course, differing arrangements. Indeed, as we have indicated in white papers which have been tabled in this House, the Canadian government would be very happy if a Quebec minister were the leader of a Canadian delegation.

[*Later:*]

[*Translation*]

Mr. Asselin: Mr. Speaker, I want to ask a supplementary question.

The Secretary of State for External Affairs said that discussions were going on with Quebec. As the conference will be held around the middle of the month, when will the minister be able to tell the House whether

a complete agreement has been reached with Quebec?

[*English*]

Mr. Sharp: I hope very soon, Mr. Speaker. May I be permitted to answer the other question that was asked. Although I know that calls for an expression of opinion, it is more than that. The Canadian government has affirmed the position that only the government of Canada speaks for this country.

Some hon. Members: Hear, hear.

Mr. Baldwin: It speaks very badly.

[*Translation*]

RIGHT OF PROVINCES TO SIGN CULTURAL AGREEMENTS WITH FRENCH-SPEAKING COUNTRIES

Mr. Georges Valade (Sainte-Marie): Mr. Speaker, I have a supplementary question for the Secretary of State for External Affairs.

Does he recognize the right of the provincial government to sign cultural agreements with French-speaking countries, or does the federal government recognize—

Mr. Speaker: Order. It seems to me that the hon. member is inviting the minister to express an opinion and therefore I do not believe the question is in order.

[*English*]

AIRPORTS

LOCATION OF NEW FACILITY AT TORONTO

Mr. A. D. Hales (Wellington): Mr. Speaker, may I direct a question to the Minister of Transport. Can he inform the House what locations have been considered or are being considered for the airport that is to be an auxiliary to Malton? Has the location been decided? If not, when will the minister be in a position to make an announcement?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, as I indicated in the House some weeks ago, no final decision has been made. Approximately four or five sites have been examined, and since this work will take three or four months to complete there will not be a decision until early autumn.

Mr. Speaker: The hon. member for Battle River.

Mr. Downey: Mr. Speaker, I wanted to ask a question, but since the appropriate minister is not here today I will defer it until tomorrow, if I may.

[Mr. Asselin.]

EXTERNAL AFFAIRS

CYPRUS—INITIATIVE TO EFFECT SETTLEMENT OF DISPUTE AND RECALL OF CANADIAN TROOPS

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, may I direct a question to the Secretary of State for External Affairs about our troops stationed in Cyprus as part of the United Nations peacekeeping force. I understand our troops are not to be stationed there permanently but only until a political solution is found. Is the minister launching any initiative directly or through the United Nations with a view to effecting a settlement in Cyprus so that we can contemplate returning our troops home?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, we have had discussions from time to time with the two sides in this dispute. We are as anxious as the Leader of the Opposition to return the Canadian troops to this country. However, the Secretary General of the United Nations and others have urged on us the importance of keeping our troops there to assist, not only in the maintenance of peace on that island, but also in bringing about a peaceful outcome of the dispute.

PENSIONS

OLD AGE SECURITY—REPORTED REQUEST FOR INCREASE BY LIBERAL MEMBERS

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of National Health and Welfare. In view of reports that Liberal Members of Parliament are pressing the government for an immediate increase in the basic amount of the old age security pension, may I ask whether the government is giving consideration to this welcome request? Will the government act on it during the present session?

Mr. Speaker: Order, please. The hon. member for Red Deer.

PUBLIC SERVICE

INCREASE IN NUMBER OF EMPLOYEES—STATEMENTS INDICATING REDUCTION

Mr. R. N. Thompson (Red Deer): Mr. Speaker, may I address a question to the President of the Treasury Board? Inasmuch as the estimates for the coming year show that there will be 8,000 more employees in the Civil Service, how does the minister reconcile that fact with the statement of the

Prime Minister and other government members that the number of employees on the Civil Service payroll will be reduced?

Mr. Speaker: Order, please. I suggest that the question is argumentative and not acceptable in that form.

[*Translation*]

NATIONAL FILM BOARD

REPEAL OF USER CHARGES ON FILMS

Mr. Gaétan J. Serré (Nickel Belt): Mr. Speaker, I have a question for the Secretary of State.

As a result of the many representations made to the National Film Board for a reconsideration of its decision to impose user charges for its films, could the Secretary of State tell the House whether or not the Board has decided to change its policy in this connection?

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, I may be called upon to comment on this matter in greater detail, but I do not have any objection, since the decision has been taken, to replying to the hon. member. In accordance with the government policy not to increase any charges or duties on non-commercial services, pursuant to the policy announced recently by the Prime Minister, the new charges on film rentals set by the National Film Board, effective January 1, 1970, are cancelled forthwith.

[*English*]

HARBOURS

COME-BY-CHANCE—REQUEST BY NEWFOUNDLAND GOVERNMENT FOR FINANCIAL ASSISTANCE

Mr. Walter C. Carter (St. John's West): Mr. Speaker, may I direct a question to the Minister of Regional Economic Expansion. Has he received a request from the Newfoundland government for financial assistance for docking facilities in Come-by-Chance, Newfoundland?

Hon. Jean Marchand (Minister of Regional Economic Expansion): Yes, Mr. Speaker.

Mr. Carter: A supplementary question, Mr. Speaker. What action has the government taken on this application from the Newfoundland government?

Mr. Marchand (Langelier): Well, Mr. Speaker, the decision has not yet been taken. It will be taken shortly.

An hon. Member: A supplementary question, Mr. Speaker.

Mr. Speaker: Order, please. A number of hon. members seek to ask supplementaries on this subject. Perhaps they might ask their questions tomorrow. The question period expired a few moments ago. Orders of the Day.

And the Clerk having read the order:

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I rise on a point of order. I am very reluctant to raise this point of order, but I note the time every day rather carefully when the question period begins. The question period, according to my observation, started today at 2.37 and should not end until 3.17.

Mr. Speaker: The hon. member's point is well taken and hon. members who have questions may ask them. I received a note saying the question period should end at 3.16, and misread it as 3.06. I apologize to hon. members. We have a few minutes left.

Mr. McGrath: On a point of order, Mr. Speaker. The ministers have left the chamber—I beg your pardon, they are coming back.

An hon. Member: Call Orders of the Day.

[*Translation*]

Mr. Rondeau: Mr. Speaker, on a point of order—

Mr. Speaker: Order, please. The hon. member for Shefford on a point of order.

Mr. Rondeau: Mr. Speaker, since the beginning of the oral question period no Créditiste member has had a chance to put a question. I would therefore ask you to give us a little consideration.

[*English*]

DRUGS

REFERENCE TO COMMITTEE OF NON-MEDICAL USE OF MARIJUANA AND LEDAIN COMMISSION REPORT

Mr. Barry Mather (Surrey): Mr. Speaker, may I direct a question to the Minister of National Health and Welfare. Is consideration being given to referring the question of the non-medical use of marijuana and the report of the LeDain commission to an appropriate committee of the House?

Inquiries of the Ministry

Hon. John C. Munro (Minister of National Health and Welfare): Mr. Speaker, the government has not decided on the disposition of the report. Actually, since we have not yet received it, no decision has been necessary. At any rate, this subject should be given consideration.

Mr. John Gilbert (Broadview): A supplementary question, Mr. Speaker. Has the minister received the first report of the LeDain commission?

Mr. Munro: No, Mr. Speaker.

[*Translation*]

FEDERAL-PROVINCIAL RELATIONS

EDUCATION—CONDITIONS OF GRANT TO QUEBEC FOR TECHNICAL SCHOOLS

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I would like to ask the Acting Prime Minister a question. Has the federal government received an official reply from the government of the province of Quebec with regard to the conditions set by the Minister of Manpower and Immigration in connection with the grants of approximately $12 million offered Quebec for technical schools?

[*English*]

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I shall have to inquire.

[*Translation*]

EXTERNAL AFFAIRS

RIGHT OF PROVINCES TO SIGN CULTURAL AGREEMENTS WITH FRENCH-SPEAKING COUNTRIES

Hon. Théogène Ricard (Saint-Hyacinthe): Mr. Speaker, after the questions asked by the hon. members for Charlevoix and Sainte-Marie I should like to ask a supplementary question concerning the agreements reached by the provinces with foreign countries.

Would the minister be prepared to give the House the assurance that except for Quebec there has never been any agreement between any province and foreign countries?

[*English*]

Hon. Mitchell Sharp (Secretary of State for External Affairs): Yes, Mr. Speaker. I do not think there is evidence to be found where a treaty or an international agreement has been signed between any province of Canada and any foreign country.

[Mr. Mather.]

[*Translation*]

Mr. Georges Valade (Sainte-Marie): Mr. Speaker, I should like to direct a supplementary question to the Secretary of State for External Affairs for clarification purposes.

Does he feel that provinces have the right to conclude cultural arrangements with other countries without the agreement of Ottawa?

Mr. Speaker: The minister answered a similar question a moment ago after I suggested that the question was not acceptable. It seems to me the hon. member is again inviting the minister to express an opinion. In this sense, the question should not be put.

Mr. Valade: I should like to ask a supplementary question, Mr. Speaker.

I should like to clarify the situation by asking the minister if he feels that only the federal government may sign cultural agreements, or if provincial governments may, without approval from the federal government, sign agreements of this nature?

[*English*]

Mr. Sharp: Mr. Speaker, it seems to be well established in the British North America Act that foreign relations are the complete responsibility of the federal government in all fields.

[*Translation*]

Hon. Martial Asselin (Charlevoix): I have a supplementary question for the Secretary of State for External Affairs.

Does the minister no longer recognize the protocol agreements made in 1964 with then Premier Jean Lesage whereby Quebec was allowed to conclude agreements with foreign countries in the field of culture and education?

Mr. Speaker: We are now at the debate stage. The question cannot be allowed.

[*English*]

POLLUTION

AIR—INTRODUCTION OF LEGISLATION BEFORE SUMMER RECESS

Mr. Louis-Roland Comeau (South Western Nova): My question is for the Minister of National Health and Welfare. In view of the minister's recent remarks concerning air pollution, is he prepared to give a firm commitment to the House to introduce his proposed clean air act before the House recesses for the summer?

Hon. John C. Munro (Minister of National Health and Welfare): No, Mr. Speaker, not before the summer recess.

Mr. Comeau: A supplementary question. Does the minister not agree that because his department is only now setting up an air pollution control division which will not start functioning for some time, it will be months, if not years—

Mr. Speaker: Order, please. The question is clearly argumentative and because of this is not in order.

Mr. John Gilbert (Broadview): Has the minister stopped smoking cigarettes as a first step to preventing air pollution?

Mr. Munro: It depends on what day you are talking about.

INDIAN AFFAIRS

AVAILABILITY OF REGIONAL DEVELOPMENT INCENTIVES TO INDIAN AND MÉTIS COMMUNITIES

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, may I direct a question to the Minister of Regional Economic Expansion. On February 23, as recorded in *Hansard*, the minister said he would give consideration to encouraging development of industry in areas where Métis and native Indian people are living. On February 26 the minister referred specifically to developments in Saskatchewan. In view of the expedition of the Parliament Secretary to the Minister of National Health and Welfare, can the minister now tell us if there are developments under way in northwestern Saskatchewan?

Hon. Jean Marchand (Minister of Regional Economic Expansion): Not to my knowledge specifically, Mr. Speaker. We are still working on a program for the Métis and native Indian people.

EXTERNAL AFFAIRS

RECOGNITION OF EAST GERMANY

Mr. S. Perry Ryan (Spadina): Mr. Speaker, my question is for the Secretary of State for External Affairs. The minister advised the House that the government has no intention of recognizing the new Republic of Rhodesia. Has the government any intention of recognizing the Republic of East Germany?

Hon. Mitchell Sharp (Secretary of State for External Affairs): No, Mr. Speaker.

SOCIAL SECURITY

INQUIRY AS TO TABLING OF WHITE PAPER

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, I have a question for the Minister of National Health and Welfare. In view of the fact that earlier today the minister referred to the white paper the government is preparing on social policy, can the minister give the House any indication when that paper will be available?

Hon. John C. Munro (Minister of National Health and Welfare): Mr. Speaker, it is hoped it will be ready prior to the end of this session.

Mr. Speaker: Orders of the day.

• (3:20 p.m.)

GOVERNMENT ORDERS

NATIONAL PARKS ACT

AMENDMENTS RESPECTING DEFINITION, ACQUISITION, ADMINISTRATION, ETC.

The House resumed from Tuesday, March 2, consideration of the motion of Mr. Chrétien that Bill C-152, to amend the National Parks Act, be read the second time and referred to the Standing Committee on Indian Affairs and Northern Development, and of the proposed amendment thereto of Mr. Lambert (Edmonton West) (page 4030).

Mr. Stan Schumacher (Palliser): Mr. Speaker, I am happy to see the minister is gracing us with his presence this afternoon. I hope he will remain in the chamber for the balance of this debate and answer some of the questions which have been asked. When we adjourned last night, I asked a question concerning the status of Imperial Oil and the development of the townsite at Lake Louise. If the rumours are true, this is further proof of this government's complete disregard for small and middle sized businesses and the fact that they are only for the big boys. The CPR has been in the park for years. They have never been disturbed. Are their hotels on a 42 year lease? If not, why not? I do not believe anyone should be put on such a restrictive basis as a 42 year lease. But if one group is, all should be. Everyone should be treated equally in what the government is pleased to refer to as the just society.

The basic trouble with the administration of our western national parks is that it recognizes only one facet of a two part problem.

The minister and his officials can see only wilderness parks, and completely overlook the recreational aspect of such areas. They are not mutually exclusive. We can enjoy both wilderness and recreation within the same general region. Recreational needs and recreational development are confined to a relatively small section of any region such as national park. There is room to spare for thousands of miles of wilderness around such areas. The fact is the two should be complementary and would be complementary if only the Ottawa officials would stop meddling with things they obviously know little or nothing about.

The beauty of existing national parks is that we can have both types of areas. I would suggest that this fact be recognized by creating, not a cumbersome and deadening overburden such as a Crown corporation, but national wilderness parks, clearly defined by legislation. These would be complemented by simultaneous creation of national recreation areas. I believe, however, that the administration of the two should be absolutely separate. The national recreation areas could be transferred to another federal department, perhaps National Health and Welfare, or turned back to the provinces.

The national wilderness parks would be protected by specific legislation from any commercial, industrial, developmental, or extractive enterprise except, as necessary, the cutting of timber in the strict interests of conservation. The national recreation areas would be similarly restricted as to industrial or extractive activity but would be open to regulated commercial enterprise and development. That is what tourists want and expect in a recreation area—and tourism is the very best type of foreign exchange earner. There is no danger of foreign takeovers with tourists.

In closing, Mr. Speaker, I must repeat that I find it difficult to credit the minister with such boorish behaviour and disregard for Parliament as giving the debate on his own legislation such cavalier treatment. It amounts to a callous disregard for the individual Canadians most closely affected by this legislation. This appears to be a current trend in Liberal administration.

Only recently we witnessed another glaring example of the slighting of Parliament when the Minister of Transport (Mr. Jamieson) chose to announce in detail certain important organizational changes in his department to the press and to the public rather than to Parliament. He was followed by his leader, who reserved his gems of wisdom for the CBC. As far as I am concerned, this bill should not be allowed to proceed beyond the present stage, at least until the minister recognizes his responsibility and comes into this chamber prepared to answer the questions which have been raised by hon. members on both sides.

[Mr. Schumacher.]

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, we are now witnessing another controversy as a result of the government's attempt to force a Crown corporation upon the leaseholders in our western national parks.

The government has been trying to get rid of long-standing residents in the parks for a long time. Now, they are attempting to complete the process. Acting unilaterally, they raised rents to astronomic heights and abrogated long-standing leases which residents could normally expect to be continued. There has been a continued refusal to allow these residents any say as to their future. The minister suggested that the residents of Banff and Jasper could move out if they did not like conditions there. Perhaps I would sound facetious if I suggested that in the course of the minister's forthcoming journey to Siberia he will be looking for a place in which these residents could settle. This would be in line with his comment that if they didn't like conditions where they were living they should move out.

After all, to the bureaucrats who administer the parks, people are a nuisance. Once the administration of leaseholds is handed over to a Crown corporation, the government will not be obliged to answer to these citizens and to their representatives in Parliament. There will be no way in which any citizen living in a national park will be able to make his voice heard. This is in line with the policy of the present government, a government without heart or soul. This approach to administration by a professorial government is in line with an experiment in sociology. The government looks on the Canadian people as subjects for a sociological experiment. We have heard a great deal about participatory democracy. We have heard of the just society. All we are getting is an experiment in how citizens will react to a given set of stimuli. The minister has rarely appeared in the House to defend his own bill, perhaps because he realizes that it cannot be defended. The government should come out from behind the smokescreen. It should abandon this idea of a Crown corporation. It should make itself responsible for its actions, and administer its park policy

in the open, not behind a smokescreen of a Crown corporation.

Now, I should like to turn to a park closer to home. In Riding Mountain National Park we have an administration which doesn't seem to care what happens to the park. The administration there seems intent on discouraging visitors, intent on forcing out the cottagers and intent on forcing out the local campers. All this directly concerns the developed townsite of Clear Lake or Wasagaming. This townsite was developed many years ago. It is well built up, and has provided ideal summer recreation of the residents of Manitoba and Saskatchewan. Now the administration seems intent on placing Riding Mountain National Park out of bounds to the citizens of Manitoba. No doubt it will soon be putting a fence around the park to prevent access by visitors.

The roads in the park are a disgrace. No. 10 Highway which runs from the United States border to northern Manitoba is virtually impassable at certain times of the year. Year after year, the park administration promises that it will be widened. Nothing is done, though, except for patching in the worst places. Motorists avoid the road whenever possible. It is a bar to progress in western Manitoba. The deer in the park are a cause of constant depredation as far as surrounding farms are concerned. During winters of deep snow, the deer leave the park, as they must, and invade the surrounding farmland. In a year like the present, when there is considerable grain in swath, the damage done can be formidable.

What is the response to calls made to the department? The deer are no responsibility of theirs, they say. This is in line with the thinking of this government—that people are a nuisance. No compensation is given to those whose crops are destroyed, a perfect example of confiscation without recompense, and especially harsh because the burden falls on relatively few individuals.

I should like to read at this point a letter written on behalf of the rural municipality of Bolton to the hon. member for Marquette (Mr. Stewart) constituency which borders on my own.

Dear Sir;

Recently the Council of the rural municipality of Bolton has received many complaints from residents along the Riding Mountain National Park about elk and deer causing damage to unharvested crops in this area. The residents have requested that compensation be paid for the damage. This situation is becoming worse every year with the increasing population of elk and deer in the Riding Mountain National Park. The extended hunting seasons along this park have not helped to eliminate this problem.

Since the Council has no jurisdiction over the way the provincial and federal governments operate within their park areas, the Council suggests that possibly this compensation should be paid through an arrangement made between both governments or that the park areas be fenced in such a way as not to let the wildlife out.

We have requested support from other municipalities surrounding the Riding Mountain Park.

Yours truly,
R. D. Halwas,
Secretary-Treasurer.

So you see, Mr. Speaker, this is a serious problem as far as the farm people living around the park are concerned. Action must be taken to see that the animals of which we are so proud are controlled. Incidentally, in the field of game management, the park officials have shown little or no imagination.

There is a further problem in the Riding Mountain National Park which needs airing at this time. Because the park is situated in the middle of a built up agricultural area, it has become a considerable bar to development there. It is not that the people want to have the park destroyed, but they are concerned because park officials have consistently refused to allow a road to be built from the town of Grandview in the north to the town of Rossburn on the south side of the park. The only other road to traverse the park, which is about 70 miles long, is No. 10 Highway on the eastern side, so those who live in the western area need to go many miles to get around the park. The need for another road through the park from north to south has been increased by the building of a cheese factory on the south side of the park. Producers in the north are at a disadvantage because of the great distance milk trucks must travel. Eventually, a second road must traverse the park in the Grandview area. The chambers of commerce in the district have for many months attempted to arrange a meeting with park officials, but to no avail. Opinion as to the quality of the administration of the Riding Mountain National Park has sunk to a new low among citizens surrounding the park. It will take a long time before this administration can regain any credibility among the people of this area.

• (3:30 p.m.)

I cannot see that the passage of this bill will do anything but set up a faceless Crown corporation behind which the government can hide and can still control all that goes on. This crown corporation will further remove

the federal government at Ottawa from the people that it governs in the national parks. It will further strengthen the impression of the people of western Canada that the national parks are ruled by Ottawa bureaucrats.

In general, I am against the use of Crown corporations. Certainly, in situations such as this there should not be a Crown corporation established. Its establishment can only increase the feeling of mistrust and alienation, something westerners bitterly resent, against Ottawa and this Montreal-oriented government.

Mr. D. R. Gundlock (Lethbridge): Mr. Speaker, I want to say at once that I am against this legislation. I have but a few points to make. First of all, like some members of my own party I, too, feel that the minister has been very conscientious.

There seems to be a misapprehension about our parks in this country, and I think the fact that there is a department within a department of government may have something to do with this. I ask the House to consider one salient point: Who created the western parks? Or, if you want to put it this way, who created the national parks, though we are talking here specifically about the western parks. The people of the west themselves created these parks. There was some local pressure, but these people appreciated the potential of the area and demanded that the Canadian government establish national parks. In those days the people had to ride horseback or go by buggy to the parks, and this trip took one or two days. This they did in order to emphasize to the federal government that these were areas that should be preserved.

In the interest of brevity, I will make but two further points. One relates to the facts and figures released by the Dominion Bureau of Statistics relating to all western mountain parks. Visitors to the western parks from Ottawa, Toronto or the Maritimes, contrary to popular belief, will not see a neon jungle of motel signs. However, when they get there they do want a comfortable bed and a place for their children that is properly supervised, with swimming pools, competent lifeguards and that sort of thing. This accommodation is to be had as you drive your car through the parks. When you can drive no further you can hire a saddle horse and take trail rides. Then, if you are energetic enough you can hire a jeep or go walking. But these parks are so large that, even though you have made all this effort, you have probably seen only 5 per cent of the area of the western mountain parks.

I give that example merely to indicate that our parks are by no means fully developed. Some people contend that they should be left as wilderness. I should like to ask whether we are going to leave 95 per cent of our parks as complete wilderness which our visitors from Ottawa, Toronto or the Maritimes cannot enjoy to the full.

In defence of the minister—I say this sincerely—may I give one example of the sort of advice he gets. I should like to refer to an affidavit prepared by a firm of assessors, we are told one of the best in the country. In this affidavit they say:

> —we have personally inspected the property, that to the best of our knowledge and belief the information given here is correct and that this appraisal is made in accordance with the standards of practice and professional ethics of the Appraisal Institute of Canada.

I suggest this is the sort of advice that has led to this proposal to establish a crown corporation. I have already said I object most strongly to this legislation. I should like to refer to a letter written by one of the persons in Waterton National Park in connection with this appraisal of property in the park:

> General description states seven single units 12/24 which is correct but also states five double units 20/40 feet which is not correct as they are 24/24 feet each unit. Also there are four new units 12/24 feet instead of the two new double units as stated.

Having read the affidavit signed by the appraisers, I am wondering just what kind of advice the minister, and through the minister, the government, are getting. This is why I take exception to the legislation before the House.

I might also point out that the price paid by Mr. Goble for this property was $71,250, not the price stated. It would not have been difficult for the appraiser to ascertain this if he visited the property personally and looked at it. The appraiser signed an affidavit which was accepted by the government and which is incorrect. This is evident from the letter written by the lessee to which I have referred. We are here in the House to consider these things. The Canadian public should now realize, perhaps belatedly, that regardless of whether this legislation is passed, only 5 per cent of these parklands is involved. This seems to be a good argument for further development of the parks.

• (3:40 p.m.)

I speak as a western member and as a friend and neighbour of those people who actually created these parks. They had no one to support them in the beginning. It was only after their work and effort that the Canadian government saw fit to create these parks. Mr. Frank Goble goes on to point out that the price paid for the property as per the agreement, was not $78,000 as stated. This puts the whole matter in a different light.

Let me say again that the government has received improper advice. The advice in respect of income is purely fictitious as the 1969 books have not been audited. The company year end is April 30, 1970, so we can all understand this fact. This appraisal was apparently made in somebody's office and not on the premises. Strong objection has been taken to this assessment of the property. I think this is a reasonable and fair approach to the matter.

Let me also refer to a signed affidavit which indicates that the minister's information is based on false evidence. There is a suggestion that the assessment was made in respect of a motel, a restaurant and a sauna. Apparently the sauna is for the benefit of patrons. That may be a commercial advantage, and I do not want to argue about it at all, but there is not a restaurant on this property. The minister has obviously received advice that there is a restaurant and the assessment was based on the existence of one. The assessment has been raised from $78 to something like $1,200. As a result, the taxes are eating into the profits. The information given to the minister was that there was a restaurant there. There is no income from a restaurant because there is no restaurant. This is a purely fictitious suggestion. If we are asked to vote in favour of this legislation, we are being asked to vote on the basis of erroneous advice given to the government and the minister.

There is another suggestion that there is year round occupancy. To refute this suggestion, all one has to do is look at the contract. There is not year round occupancy, but only for approximately seven months. There is also an affidavit in this respect. With all due deference to the minister and the government, this legislation has been brought forward on the basis of poor advice and erroneous information. This is difficult for me to accept and it is of concern to the people of Canada. Quite frankly and sincerely, I suggest we should have another look at the legislation before we go along with it. Once we accept this legislation we accept the evaluation of the government and the minister which is based on false information.

I implore the government, and anyone else concerned, to reconsider the suggestion that we should accept this type of legislation based on advice from a department within a department which is so obviously wrong.

[*Translation*]

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I would like to say a few words on Bill C-152 concerning national parks, because the matter particularly affects the riding of Shefford and most of all, because there is a well-known zoo in Granby.

Of course, I know that the Granby Zoo is not a national park. However, in view of its importance and the publicity it has brought to Quebec and Canada, I wish to comment on national parks and the Granby Zoo.

In dealing with national parks, I must remember that the Granby Zoo in the past had to rely on all countries of the world, especially Africa, to obtain certain animals. In my opinion, national parks are especially suitable for the breeding of wild animals, in order to make them available eventually to Canadian zoos.

I know that the Granby Zoo was originally a makeshift undertaking, and after ten years, it has become the second largest in Canada and the one with the greatest number of wild animals. However, it had to pay huge amounts to obtain them. Normally, our national parks should, once again, be the suitable place for the breeding and rearing of wild animals, in order to make them available to Canadian zoos and especially those in Quebec.

The Granby Zoo authorities have told me that they wish to get two musk-oxen worth about $17,000 each. Now, such animals have to be imported from Africa and they have to be put under medical care in some American zoos, sometimes for a year or two, before being accepted in Canada, in this case Granby. I believe that there would be some financial advantage in breeding wild animals in our national parks in order to provide for the needs of zoos in Canada, which would enhance the tourist industry, because a great many people like to visit our national parks and our zoos. After all, close to 40,000 to 60,000 people come each year to Granby, for instance, during the summer to visit the zoo,

thus stimulating the interest of youngsters in our wildlife.

• (3:50 p.m.)

The administrators of our national parks spend vast sums of money to publicize the Canadian wildlife, while our zoos have to start with makeshift means. In fact, there were individuals in Granby who invested $50,000, more than fifteen years ago, with no hope of any reimbursement, and who gave of their time and their efforts to make of the Granby Zoo the finest in the province of Quebec.

A former mayor, Mr. Pierre-Horace Boivin, for instance, bought beavers to distribute them across the world in exchange for parrots which, in turn, he exchanged for wild beasts. At first, he also paid for their transportation out of his own money. Others have done the same, so that we now have in Granby something equal to if not better than a national park.

The National Parks Act should, I believe, be more generous towards zoos like ours, which are a tourist attraction for the whole province and for the rest of Canada. Today they enable our young people to come in thousands each year to learn about our wildlife, which is one of our national resources. In view of what the Granby zoo has done for the Canadian people, we have to admit that its directors are entitled to more than mere thanks. The federal government should give more assistance not only to the Granby zoo but also to other zoos in Canada, whose directors have to travel throughout the world to stock their establishment and thus promote the tourist industry.

We are proud of the Granby zoo and hon. members have had the opportunity in the past to hear us talk about it.

The Granby Zoo made a net profit of $309,000 in 1968 and attracted several million tourists.

Mr. Speaker, I believe national parks could serve such a purpose. That is why I wanted to make these few comments because so far we have had no help either from the Quebec government or from the federal government in promoting our zoo, to assist in the capture of wild animals and in their reproduction. We have had to pay everything, at the cost of sacrifices. All this cost us a great deal of money, and yet Canada benefits by the zoo, as well as the province of Quebec.

I hope the minister responsible for national parks will consider this problem and, perhaps, provide some assistance to the Granby Zoo and others who might be facing similar difficulties.

As far as wild animals are concerned, we have to rely on American zoos or on African charitable organizations or others, even if we must wait a long time for help, so that the Canadian people can be proud of showing to their descendants the marvels of wildlife, which contribute to the enrichment for everyone.

[*English*]

Mr. Steven Otto (York East): Mr. Speaker, I have listened to just about all the speeches by opposition members on this bill. Having heard the speeches, one would think this bill would institute the worst form of tyranny in the world on the people who live in these parks. One would imagine that the government intends to abandon the right of all the people who live in these areas, especially in the towns of Banff and Jasper, to a corporation which will grind them under its heels. I cannot imagine any government in Canada or any person in Canada allowing this. For the life of me, I certainly cannot connect this idea to the bill. Over the period of the seven and a half years I have been here—and I daresay over the period of almost 50 or 100 years that other members have been here—we have heard time and time again in connection with parks and government-owned land that someone had an advantage because of political patronage, that someone had not properly assessed the property and, as we heard this afternoon, that the administrator had not relayed the correct information to the government.

Indeed, the time has come now when we should have some sort of rational system of administering leases in respect of these lands and the land itself. What better way could there be than by having a Crown corporation, of which we have many examples, functioning with the ability and right to hire qualified people, to give advice and conduct the operation? Then, no one could possibly complain of any political patronage or of anything underhanded being done. I might give the example of the Toronto Harbour Commission. I have had some dealings with this commission. It administers valuable harbour lands. It is well known in Toronto that the Harbour Commission is one of the toughest boards to deal with that one could find. It is competitive. No one has ever accused it of political shennanigans or patronage over a number of years. It is

recognized by the real estate people in Toronto to be one of the best commissions functioning in the field of land rental and land development. No one has a complaint. This commission has been praised from time to time as being a well administered body, a perfect example and one of the best in North America. This is not a Crown corporation. Rather it is a board formed on the corporate scale which I think does an excellent job. The purpose of this bill is to establish such a body.

With a corporation such as would be established by this bill, I cannot see that there should be any confusion in respect of the rights of individual citizens. It is true that the bill deals with more than just the administration of leases. It also deals with the development of land and other things. It cannot be expected by anyone that the Crown should give up any right in respect of the development of a park to a group of people who live in these places without some sort of a national control. But the main thrust of this corporation is to deal with leases in a businesslike way.

• (4:00 p.m.)

I agree that there is another problem involving the right of the residents of Banff and Jasper to administer their own affairs. But nothing ties this right to land ownership. Indeed, great parts of New York, Toronto, Montreal and many other places are owned by people other than those who reside there, yet the latter administer their own affairs and do whatever they think is for the good of the community. The same right exists in this case. If the provincial legislation requires this tie, let it be so, but let us not tie that right to ownership of land. This bill has only one purpose, that is to form a body of which we can be proud and which will be just, fair and businesslike. I have not heard one argument to indicate why this plan should not work, nor has another scheme been advanced which would solve the complaints that we have been hearing from the other side for years. What other scheme can they propose that will achieve this?

Then, there is the argument that the minister is shedding his responsibility. The corporation has to answer to someone. There will be just as many complaints or questions from the other side in connection with this corporation, and I dare say we will have the same number of complaints from residents of the parks. All these will sift through here and the minister will have to be responsible for them. To say that the minister is abandoning his responsibility is nonsense. There is only one purpose for this bill; that is to establish a system by which land in the national parks will be administered, leased and negotiated on a businesslike basis under the control of the Crown.

Mr. Louis-Roland Comeau (South Western Nova): I do not wish to delay the passage of this bill too long. I have listened with interest to the debate and to the comment about the lack of alternative suggestions from our side. The fact is that there is no alternative. The only thing that can be done is to make the minister and his department responsible for administering the parks. It is as simple as that. The minister and the department should answer complaints in the House.

We know that when one tries to obtain information regarding, for example, the CBC or any other Crown corporation, the ministers responsible for them always say they will pass the inquiry along and see what the Crown corporations have to say. But the minister responsible does not exercise his power by making whatever changes are necessary in these corporations. I have never seen that happen in the two years I have been here, though I know that my experience is rather limited. For example, I have never seen a decision taken by the CBC on a matter that affected the CBC reversed by the Secretary of State (Mr. Pelletier).

That is why I object to the principle of Crown corporations I object to the requirement in the bill before us that the land should be turned over to a Crown corporation by the residents or even by the provincial governments. I am sure the people will object to it and will think twice about putting their land into non-political hands, if I may use this term rather loosely to refer to people who have no real interest in the matter and who are not really concerned about the problems of the people on these lands.

[*Translation*]

Mr. Speaker, I am pleased to know that one of the purposes of this bill is to protect three parks, two of which are located in my constituency, that is Fort Beausejour, Fort Anne and Kejimkujik parks. I am most happy that two of these parks, Fort Beausejour and Fort Anne, will not be affected—at least, this is the way I interpret this legislation—by the creation of such a corporation.

If I well understand the relevant clauses of the bill, these two parks will come under the

National Historic Parks Act, which will remove them from the authority of this legislation.

I congratulate the minister for having announced the extension of Kejimkujik park, and more precisely, the development of a second park within its borders. I repeat that in my estimation the department will meet with a refusal from the provincial government as regards the designation of lands to be put at the disposal of a Crown corporation.

This is why I object to the bill being passed. I am against the idea of establishing a Crown corporation to deal with those problems. I recognize I have nothing to say against it to the minister. I have never blamed him for anything with respect to the Kejimkujik, Fort Beausejour or Fort Anne parks. Maybe this is because the Kejimkujik park was set up last summer only. But his extension some day will nevertheless give rise to some problems. I should like to be able to ask questions in the House and ask the minister whether or not he is responsible for the problems related to those parks.

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

I should like to point out to the hon. member that under the procedure related to the debate on the motion for second reading of a bill, it is forbidden to ask questions to a minister unless there is unanimous consent from the House, and that the proper time for doing so is during committee sittings. If the hon. member will attend these sittings, he can then ask questions; the minister will be there—

The Acting Speaker (Mr. Béchard): Order, please. I think that the hon. member for South Western Nova (Mr. Comeau) was not asking a question to the minister.

Mr. Comeau: Quite right—

Mr. Chrétien: He was mentioning the fact that we did not want to answer questions but we are not allowed to do so under the Standing Orders.

Mr. Comeau: Quite right, Mr. Speaker, I was not asking a question.

Nevertheless I might want to ask questions related to those parks. In that case I should like to direct them to the minister in the House.

I am only talking about the bill. If it is passed, I would not like the minister to be able to say that it is not his responsibility to settle the problems, but that it is the business of a Crown corporation. So I am opposed in principle to the setting up of such a corporation.

• (4:10 p.m.)

What I mean is that members and their constituents should have some control over these parks. The aim of Bill C-152 can be reached under the present system. If the department finds that its responsibilities in the field of Indian Affairs and northern development are too heavy and that, for this reason, it cannot give enough attention to the problems of national parks and wants to pass this responsibility to another department, I think that some ministers without portfolio would be glad to take over. If this problem is important enough to be given to a Crown corporation, it is surely serious enough for another minister to deal with it.

I have already spoken about these parks and I can say, once again, that I have no complaint about the past administration. But I do not agree to these responsibilities being given to another agency. As representatives of the people, hon. members should know both what is going on among the voters and within the federal and provincial governments rather than having this responsibility entrusted to an agency that does not represent the public in any way.

[*English*]

Mr. William Skoreyko (Edmonton East): Mr. Speaker, I am only going to spend a very few minutes on Bill C-152. I have heard a number of interesting speeches this afternoon on the bill and I want to deal with some of the matters raised.

It was interesting to listen to the member for York East (Mr. Otto) who, in his reference to the objections of the opposition to this bill, said these appeared to him to be based on fears of the worst kind of tyranny. I suggest to the hon. member that had he listened to all of the speeches on this measure it would not have taken him as long to get the message.

I am concerned about a number of factors related to this measure. First of all, the creation of a Crown corporation, I think, would result in a situation where grievances would no longer be aired through Parliament. As a member of this House for many years, Mr. Speaker, you know how difficult it is at times to get through that bureaucratic mass in order to get an answer to a very simple question. It is difficult enough when the minister

is able to come before the House of Commons with his departmental estimates to get some well-deserved answers to questions. I think the minister's statement, as reported in the press a few months ago, "If you don't like it, you can move out", was the kind of statement that deserves a seat in the other place.

Yesterday, and indeed the last time this debate took place, many references were made to the 42-year leases. I remember when this issue was raised in this House ten or 11 years ago and was discussed at length on a number of occasions. Members, particularly those from western Canada, raised a number of objections to the legislation at that time and appeared to be stymied by the wishes of the bureaucracy. I did not support the 42-year lease proposal at that time and I still maintain that leases should be granted in perpetuity if architectural standards are to be insisted upon. Indeed, architectural standards are being set by the department. If they are prepared to interfere in the administration of the parks to that extent, then surely the man who is putting up the money should be able to enjoy a long term lease. Surely, there is nothing to fear from leases in perpetuity. Legislative provision could be made whereby these leases, no matter of what length, could be broken on breach of a regulation, if such breach were of a serious nature. There is very little to be concerned about there.

I heard considerable argument about the 1959 Order in Council, No. 1108. One would admit, and I suppose it is true, that increases in rentals at that time were considered and were indeed authorized. But the fact of the matter is that it was the responsibility of this government to either act upon that Order in Council or repeal it. They had the alternatives; it was their prerogative and they chose to act on it. They avoided the real issue by simply saying it was the Conservatives who brought in the measure in 1959, which was an absolute falsehood. The responsibility lies with this government, and they are the ones who are imposing the penalty on the parks at this time.

In view of the publicity aroused by Bill C-152, I suggest it might be wise for the government to consider municipal status for the townsites of Banff and Jasper, as well as towns in some of the other major parks in this country. The federal government could retain, if they wished, the responsibility for maintenance of the wilderness areas. I am not too sure in my own mind but that justice could best be served by having the minister sell the parks back to the provinces for a fee of $1.

I am concerned about the setting up of a Crown corporation because, as the hon. member for York East (Mr. Otto) said, what is there to worry about? At this stage of the game, not very much. However, the people presently working in the department are concerned because once this department becomes a Crown corporation the responsibility for its administration is in the hands of the president and his staff. As members of Parliament, we can ask questions on the operation of that department but we do not get any more satisfactory answers than we do from the Department of Public Works or the Department of Indian Affairs and Northern Development.

Who appoints the people who are going to administer the Crown corporation and how are they to be appointed? Will the minister appoint a sacred few to manage the corporation or is this going to be another freak of Liberal architecture? Once created, is the Crown corporation going to release all of the civil servants presently connected with that department and hire a new group of people to run it, and hire them only if they conform?

I am concerned with what the future leasing procedures might be and how they would be followed. The hon. member for York East elaborated somewhat on that but he did not outline the procedures. I should like to know whether the procedure will be a continuation of public tendering for sites. Are these leases going to be granted by an appointed officer of the corporation itself or by an officer of the government? I think the minister should answer some of these questions before the bill is passed.

Again, I ask the minister what is so fair about arbitrary rental increases without prior notice or consultation? I am sure the minister, just as I and many other members of this House, has received letters, telephone calls, telegrams and what not, to an extent that causes us great concern. The well established businesses can afford to pay the tariff imposed by the government at this point, but a good many new ventures in all the parks have limited finances and face the prospect of bankruptcy. I do not think even the hon. member for Rocky Mountain (Mr. Sulatycky) would support that kind of arbitrary governmental action.

• (4:20 p.m.)

May I ask the minister why the staffs in the parks were reduced? The explanation no doubt

is austerity. I say to you, Mr. Speaker, that if this legislation passes, additional staff members, no doubt with special qualifications that adhere to the principle of the languages bill, will be hired. They no doubt will have exceptional qualifications and conform to certain requirements. On January 21, I asked the minister two questions about parks. They had to do with the number of people laid off in the parks over a certain period of time. I refer to Questions No. 928 and 929 in my name on the Order Paper. They have not been answered, and I am wondering why. Does the minister think that once the department becomes a Crown corporation they will no longer have to be answered, or does the government think bilingualism is more important than people?

The hon. member for Crowfoot (Mr. Horner) asked the minister yesterday whether the committee might not hold hearings in the national parks to get to the bottom of what is obviously a grievous and serious problem. The minister may wish to ignore the plight of the people in the parks, but I do not see what is so objectionable in asking the committee to conduct hearings in the parks and hear evidence first hand. Or, does the minister feel that it is better to be a coward than a humiliated hero?

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, my intervention in this debate is understandable because I am concerned about the philosophy behind the amendment. I say that because at least one park in Nova Scotia could fit into a small corner of one of the parks we are mainly considering under this bill. I question the right of any government, on the strength of a whim, to change unilaterally the principle under which the Government of Canada assumes title to land in existing parks. The minister ought to explain to the House and committee whether he consulted the appropriate ministers responsible for this type of governmental operation in the provinces involved. If he consulted them, what was the result of his discussions? What did the provincial ministers say, first of all, about their desire to see park land turned over to the federal government; also, what did they say about decisions the provinces might make with respect to park land which would be turned over to third parties?

The comments made about the Crown corporation are valid. The widespread powers such corporations exercise ought to be scrutinized and considered at some length by those who represent the people. We may not want to know in 1970 what goes on every day in thousands of square miles of park in the Rocky Mountains, but we should have the right of scrutiny. Clearly, the government is not overly-concerned about the importance Canadians attach to the ownership of their land and the direct control over it. Land, Mr. Speaker, is still a very, very important part of our lives. As a Nova Scotian, I do not want to see thousands of square miles of my province turned over to this government, because it would turn it over to a third party, the Crown corporation. As a result, the minister would be relieved of the direct responsibility. He would be minister in title only, because the corporation would report once a year. I hope the minister will consider my submission when the bill comes before the committee.

By establishing yet another Crown corporation, this government seems to indicate, on the surface at least, that it wishes to govern less and to interfere less; yet the far reaching implications of its policy will mean that the Canadian people will be governed by a substructure of government which will interfere with them. The people of Canada, I submit, do not like this hidden interference, and under the surface involvement, on the part of Crown corporations. These remarks are not meant to apply to the day-to-day operations of the nationally run airlines, railways or similar bodies. Nor am I talking about our national broadcasting system. I am talking about our national heritage and about the right of Canadians, their children, grandchildren, great grandchildren and descendants in a thousand year's time to enjoy a property in a park. The people's elected representatives must protect those parks, and not third parties like Crown corporations. The parks are our national heritage. Those who administer parks are not administering something which is technical. Therefore, I submit that amateurs and laymen can administer them on a day-to-day basis.

I am concerned about portions of clause 3, and I am concerned about the expropriation clauses of the bill. I know they will be exhaustively studied in committee. I hope the minister will explain the wording in the bill to the effect that the Crown corporation may, with the consent of the minister, expropriate what it wants. I see the minister keeps flitting in and out of the House, as he has done throughout the discussion of the bill. Perhaps he is not really interested in it. In any event, I should like to know what those words mean.

Do they mean that there must be a reference to the minister, and thereby to the body politic, with respect to every measure of expropriation, takeover, release, exchange or what have you, or is that wording inserted in the bill to give the Crown corporation a cushion to fall back on, if it is needed.

• (4:30 p.m.)

I would like to know what the procedure is going to be. How will expropriation be carried out? How will land be added to the parks already in existence. I am concerned about the addition in this bill of section 15. This section reads:

> The Governor in Council may, by proclamation, set aside as a national park of Canada, lands in the area of Kejimkujik Lake in the province of Nova Scotia that the government of Canada and the government of the province agree are suitable for a national park, if clear title to the lands is transferred to Her Majesty in right of Canada; and upon the issue of the proclamation, the National Parks Act applies to the National Park of Canada so set aside as it applies to a park as therein defined.

I cannot understand what that means. It suggests to me that once we examine the extension to the Kejimkujik park, that is going to be the end of parks in Nova Scotia. Is that what it means? If it does not mean that, why does the bill refer specifically to this park? Why does it stop with that specific clause? I would like this question to be answered. Indeed, the minister has a moral obligation to answer.

There are detailed plans available. If the federal parks branch would get off their rear-ends and send the plans to the province of Nova Scotia, we could then get on with the establishment of a third national park in that province. However, they have not yet seen fit to do that. This branch seems to think it is better to say that the province of Nova Scotia is dragging its feet. I suggest it is not that way at all, but rather the other way around. I ask the minister to clarify whether section 15 in any way limits further participation in the province in terms of a third, fourth or enlargement of the two present national parks.

I wish to reiterate the importance of the minister explaining to the people of Canada, the philosophy or principles upon which the government feels they can, without effective public dialogue and consultation, arbitrarily move to usurp, annul or void the principle on which all the present parks were established. I suggest there is not a provincial minister, provincial authority, any provincial government, past or present, that believed these lands would ever be transferred to a third authority. Indeed, their responsibility to the people they represented forced them to clearly stipulate conditions which dictated the retention of this land in the hands of a minister in right of the Crown. Any departure from that might not only be unconstitutional, but illegal.

I think the matter is deserving of much more detailed thought and consideration. This is nothing more than another shotgun approach to the despicable, continuous conflict in the present parks policy. People do not know where they stand from one day to the next. This has been the situation for a number of months. I suggest the minister and his officials should very carefully review their responsibilities to the people of Canada. I think our national heritage is being abused. Canadians do not want this to happen. It may be that it is being done unwittingly. I suggest the danger is there and it is a very real danger.

Mr. A. B. Douglas (Assiniboia): Mr. Speaker, if I understand correctly, there are already two national parks in Nova Scotia and an additional one is to be created. Nova Scotia is quite a bit smaller than the province of Saskatchewan, yet we have only one national park. I suggest there should be more national parks in Saskatchewan.

I wish to take this opportunity to say a few words about the need and desirability of developing a Prairie grasslands national park. The Prairies and Canada, especially western Canada, are practically synonymous, but native Prairie land with its distinctive flora and fauna is fast disappearing. There is still some of this shortgrass area, with its distinctive flora and fauna, in southern Saskatchewan. It is presently supporting a very sparse cattle population. Many ranchers are progressively converting the natural Prairie grass into cultivated grasses and forage crops of various kinds which have been developed to increase the grazing capacity of this range land. I am sorry to say that some of this original Prairie land is being brought under cultivation to produce wheat.

There has been some investigation into the feasibility of establishing a national park in this area. The hold-up seems to be that most of this land is owned or leased by ranchers who are very reluctant to give up their land and way of life. It seems that a tract of land could be declared a park area, development could proceed and cattle could be allowed to continue to pasture there. I urge the park

authorities to seriously consider a dual purpose type of park. I know the minister is sympathetic to this proposal and I urge him to press on with it. It will soon be too late, and it will certainly be too bad if we as a nation allow the unique Prairie grass land to disappear beyond recall.

There are several good prospective sites for such a park in my constituency and in the constituency west of mine, Swift Current-Maple Creek. These sites lie along the United States border. They would attract many tourists from our great neighbour to the south. These sites are not too far from our Trans-Canada highway and would be quite accessible for the people of Saskatchewan and travellers from all parts of Canada. As a national park, this area would contribute significantly to our Canadian economy and would provide for posterity living evidence of the beginning of our western farm economy.

Before closing, Mr. Speaker, I should like to add my voice to those who have been asking to have the provincial parks that presently exist on both sides of the Alberta-Saskatchewan border in the Cyprus Hills area taken over by the national parks system. This is a very striking and unusual area, completely surrounded by prairie but completely different, and most interesting and restful.

I thank the minister for his evident concern in the welfare and development of our parks system. I intend to support this bill.

Mr. R. R. Southam (Qu'Appelle-Moose Mountain): Mr. Speaker, I am very pleased to hear that the hon. member for Assiniboia (Mr. Douglas) supports the idea of a second national park in Saskatchewan. He is another convert to the cause which I espoused some 12 years ago in this House. At that time I was a member of the Standing Committee on Indian Affairs and Northern Development. I brought the matter to the attention of the then minister. He indicated it was a worthy suggestion, but it would be a matter of priority in relation to the income allocation at that time. A new government was taking over. The minister at that time agreed, although such a park could not be established at once it should be given serious consideration.

• (4:40 p.m.)

I continually emphasized the benefits that would be derived in Saskatchewan from a second national park. On April 22, 1965 the then Minister of Indian Affairs and Northern Development, the present Minister of Public Works (Mr. Laing), announced in this House that it was government policy to bring about this development. That was five years ago. I am wondering what has happened. I suggest to the hon. member for Assiniboia (Mr. Douglas) that here again is an opportunity to impress on his colleagues the benefits to be derived from such a suggestion as I have made. He would get my support 100 per cent.

I cannot let this opportunity pass without rising to register my strongest objection to the whole concept of Bill C-152. To me, as to many of my hon. friends, the principle of this legislation is extremely repugnant. In fact, it is so undemocratic that I am amazed to see a so-called responsible government, one which from time to time repeats its slogan of a just society, having the temerity to espouse it. Everything in the bill indicates a callous disregard for the democratic principles on which our country and constitution have been founded. The suggestion that we should turn over the administration of our 19 national parks to a Crown corporation is incomprehensible to me. It is another example, among many, of the government ignoring the rights of the common man. Here it is proposing to turn over to the establishment control of the third largest source of income that this country enjoys. From now on, if this bill is passed, we shall have another sacred cow on our hands, and, Lord knows, we have too many of them already.

Many references have been made during this debate to our western national parks and to the serious position in which leaseholders there find themselves. I want to sound a warning to all who are interested in the national parks in other provinces of this great country. If what I believe about this iniquitous piece of legislation is true, the bill before us will affect all the national parks and all those who live within their boundaries.

Instead of the government bringing in Bill C-152 to set up a Crown corporation they ought, in my opinion, to be introducing legislation to establish a federal department of tourism, responsible to the Parliament of Canada, which would take under its wing not only complete responsibility for the national parks, but responsibility for the great industry of tourism and for all matters pertaining to the tourist potential of this beautiful land of ours.

We now have some 30 ministries represented in this House of Commons, and when we consider these portfolios we find there is a great difference between the responsibilities borne by the various ministers and the

income generated under their jurisdiction. To put this in a measure of perspective, the wood, pulp and paper industry is the largest source of income for Canada and is the responsibility, in Parliament, of the Minister of Fisheries and Forestry. The agriculture industry is our second largest source of income and comes within the purview of a full-time minister. Though the fact may be unknown to many, the tourist industry in Canada today represents the third largest source of income to this country. Last year it accounted for more than $1 billion. Surely, it is worthwhile appointing a full-time minister to help control and develop this great asset instead of turning over so important a sphere to a bureaucratic Crown corporation entirely removed from the responsibilities and obligations of representatives elected to the Canadian Parliament.

A while ago the hon. member for York East (Mr. Otto) was castigating members on this side of the House for failing to put forward constructive alternatives to what is contained in the bill before us. The proposal I have just made is one which the government should have had under review, because it has been brought to their attention on a number of occasions. In my opinion it is worthy of serious consideration.

I am irrevocably opposed to the whole context and content of Bill C-152.

Mr. W. B. Nesbitt (Oxford): Before the Parliamentary Secretary (Mr. Honey) speaks on the amendment, there are a few observations I should like to make as this long debate draws to a conclusion. I do not wish to prolong it, because most of the points which the opposition wished to make have already been put forward. The length of the debate and the large number of participants indicate, I believe, the general feeling of many members of this House that the bill presented to us is not a good bill and that it should be carefully reconsidered by the government and presented again, with many changes, if it has not been decided to wipe it out entirely.

I am very glad to see that the minister has found it possible to be with us in the House, at least during the later stages of the debate. This removes at least one of the procedural objections we have taken on this side of the House. In addition, I am pleased to learn that since this debate began the rent increases in the national parks of Banff and Jasper have been deferred for a year. If nothing else, it seems at least possible that some of the observations made during this debate have gotten home to the minister and his officials. I think that is good. Perhaps it shows the value of debate in this House.

I was also glad to hear the minister indicate the other day in reply to a question that the residents of Banff and Jasper will have an opportunity to appear before the committee when this bill reaches the committee. I think this is good. Perhaps we shall all be able to obtain further insight into the problems involved.

These are some of the good things which possibly have resulted from the lengthy discussion in this House. There is one question I should like to put to the minister or to the Parliament Secretary before the debate is finally wound up in this chamber. He may prefer to answer it on another occasion, but I think it would be better if it were answered at this point. It is this: does the government at the present time place any restriction on the qualifications of persons to whom Crown land may be sold? I bring this point up because certain clauses of the bill would reduce in size the areas of the national parks, and most members of the House, I think, would like an assurance that the land which is to become surplus will at least be made available to Canadians as a first choice and not turned over to people from other countries.

There is another point I should like to bring up briefly. It concerns the question of the extension of parks. This has been dealt with by a number of my hon. friends and I do not propose to be repetitious. For a number of years since I have been a member of this House I have placed private bills and resolutions on the Order Paper suggesting that the Government of Canada take over an area in Ontario known as Long Point, as a national park. This is a long, sandy island in Lake Erie. I have suggested this very sincerely on many occasions over the last 16 years. I must say that if this bill goes through I most certainly would not continue to recommend any such action. I would rather hope that the Province of Ontario will eventually take over this area as a park and administer it. If the administration of our parks, policy-making and everything else, is to be taken over by a Crown corporation I certainly would not want to see this happening in my own province.

• (4:50 p.m.)

Mr. Chrétien: You have not read the bill. That is not what we are proposing.

Mr. Nesbitt: I must tell the minister that many of us have read the bill very carefully. We may have different views and interpretations, but we will get to those in committee. I hope the minister will be able to clarify the matter, but the interpretation of many members in the opposition is that the bill clearly proposes that a Crown corporation should formulate policy for the parks. This is our principal objection to the bill, as the hon. member for Dartmouth-Halifax East (Mr. Forrestall) pointed out. As I say, if in committee, the minister can prove this is not so, so much the better.

There is one suggestion that I have to make to the minister at this time. There have been discussions in another context in this House about Arctic sovereignty and the government's rather vague and contradictory stance in this connection. Lately, we have at least had a little firming up of that stance, and I think it would be a good idea if the minister were to contemplate the inclusion of a provision in the bill to take over some of the Arctic areas as a national park.

I know some people will immediately ask, who wants to go up there. I would point out that technological changes come about rapidly, and therefore it might be a good idea to set aside quite a bit of the Arctic as a park for future use. When the Ontario government in the 1880's established Algonquin park, many jokes were made about it. People at that time asked who on earth would go up there, since there was a lot of wilderness in Ontario at that time. Nevertheless, people did have the foresight to set this area aside as a park, and today we are glad that they did.

Although it may not appear likely at the moment that there would be too much tourist traffic in the Arctic, I would point out that more and more people are going up north to fish for Arctic char, or to hunt bears. According to the magazine *B.C. Outdoors* there are only 5,000 polar bears left in the world. Now, I do not know whether that is true or false, but it would be a good idea to protect the ecology of the Arctic. Further, 50 years from now there may be all sorts of ways and means to accommodate visitors to the area. A park would also establish a more direct de facto control of the area and would help reassert our sovereignty, something I am sure every member of the House would wish to see.

The members of this party are very much opposed to the bill as it now stands, and for reasons that have been repeated many times.

[Mr. Chrétien.]

May I conclude my remarks by saying that we are opposed to the legislation because it removes from the control of Parliament this essential aspect of public affairs.

It has been pointed out, both today and other days, that national parks cannot be regarded in the same light, say, as the CNR. The parks are part of our national heritage, and in many cases the provinces turned over the land to the federal government on that understanding. We feel that the administration of our parks, which belong to all Canadians and are a great source of tourist funds, should be controlled by this House, not by a Crown corporation.

The action that the government is now taking is one more facet of the general pattern that the government, and the immediately preceding government under the former Prime Minister, has established to erode the powers of Parliament. The government started with the Canadian Transport Commission. Now, we have this. In addition, it is being suggested that the Post Office should be taken out of the control of Parliament, and also public works. The government is continuing its course down this slippery slope.

The establishment of this crown corporation will mean that the residents of the parks will have no representation. Despite what the minister said a few moments ago from across the floor, we feel that the de facto running of the parks should not be done by a Crown corporation. As one of my colleagues pointed out a few moments ago, once a Crown corporation assumes responsibility for something, it is pretty hard to control it.

In theory, of course, Crown corporations such as the CBC or the civil service commission—it is called a commission but is really a crown corporation—are responsible to Parliament. In actual fact, they are not responsible to anybody. They do exactly what they like and have their own little system of patronage. They are really a little family affair, as those of us who have been here for some time know. If the government were to make some basic move to make Crown corporations and commissions in fact answerable to Parliament then we might not have this strong objection.

This bill contains no provision for making the Crown corporation responsible for reporting to anybody. In spite of what the hon. member for York East (Mr. Otto) said—perhaps he should have read the bill a little more carefully—there is no such provision in the bill. One clause does require the corporation to report on the operation of the parks'

development fund to the minister. Another clause requires the minister to report to the Governor in Council on the operation of the fund. But there is no clause requiring that any report on the fund be made to this House. Neither is there a requirement that a general report on the over-all operation of the corporation be made to anybody, including the minister.

This may be an oversight in drafting. I hope that it is, and that the minister will make some proposals in this regard at the committee stage. As I say, it is bad enough that Crown corporations run their own affairs; but when we get to the stage where even theoretically they do not have to report to anybody, then we have reached a pretty pass. Unless the minister makes appropriate modifications to the bill or explains the situation, I am afraid that I and my colleagues will have to continue to oppose this bill.

Mr. Russell C. Honey (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, as the hon. member for Oxford (Mr. Nesbitt) said a moment ago, this has been a long debate. I think this is the sixth day of the second reading stage. On five of those days, we took a very substantial part of the day; last night we had only about half an hour's debate. I do not know how helpful this debate has been, and I am sure that the remarks of hon. members in this chamber have not always been relevant to the bill. The hon. member for York East (Mr. Otto) made that point this afternoon.

In my remarks I should like to make reference to the contentions put forward by members of the opposition and clear up some of them. There are two or three main ones, and with respect I think they are more misconceptions. Either hon. members have not carefully read the bill, or they have not understood what they read.

• (5:00 p.m.)

The hon. member for Oxford and other members referred to the multitude of statements which might very loosely be interpreted as suggesting that the Crown corporation will have full responsibility for the administration of the parks. Of course that is utter nonsense. The legislation does not say that in any respect. Hon. members across the way, including my friend the hon. member for Oxford, who is the critic for the official opposition, and hon. members like the hon. member for Edmonton West (Mr. Lambert), who is generally reputed to be an authority on this subject of parks because he is from an area in proximity to western parks, complained in the first instance about the broad and strong powers that we intend to give to this corporation through this legislation. In the next breath, these members suggest that this would be an autocratic and overriding corporation which would have no respect for the people in the parks or park authority. In yet the next breath the hon. member for Edmonton West said, and I made the specific note of his words, this would be such a body that it would become a stooge for the minister and the government.

I had some difficulty in accepting with any degree of seriousness this group of criticisms which I put down, under the heading of the corporation, full responsibility for administration of parks. Other members repeated this sort of argument. As I said, that is utter nonsense. That is not the case at all if you read the bill, and this is obvious and apparent to you, Mr. Speaker, as well as to other hon. members of the House.

Let me refer to Clause 15(1) of this bill which reads:

> The objects of the corporation are to develop, manage and maintain, on a basis that is economically sound and consistent with the purposes for which the National Parks are dedicated, property in the Parks the direction of the administration, management and control of which is entrusted to.

That confines all this under the heading of objects, powers and responsibilities of the corporation to the administration of property in the Parks.

The second contention and, I think, misconception, I should like to deal with—there have been many speakers opposite who have referred to this—is what I might group generally under the heading of the creation of a corporation which will remove control from the hands of the minister. Many hon. members have made this statement. I made note of the words of the hon. member for Oxford because he is the critic of the official opposition on this matter. In his first speech he said that the corporation could do what it liked with leases, and that this would virtually take the control of national parks out of the hands of the government.

Latterly, in the speech he just concluded, my hon. friend said that the Crown corporation will make de facto policy in respect of national parks.

Mr. Nesbitt: Right.

Mr. Honey: My hon. friend says "right". Perhaps we should look at the record, because that is not what the proposed legislation says. I think if my hon. friend, who is learned in the law, would read the bill or listen to me, he would agree that there is nothing in the powers vested in the corporation which will remove the control of parks policy. This measure goes to some length to ensure that the corporation is at all times under the direct control of the minister and/or the Governor in Council. Let me refer to Clause 18(1) which reads:

> The corporation shall comply with any direction from time to time given to it in writing by the Governor in Council or the Minister respecting the carrying out of its objects or the exercise of its powers.

If hon. members had read that Clause, I think they could have only come to one conclusion, that the corporation at all times must comply with the directions and authority of the minister or the Governor in Council. Subclause (2) of Clause 18 says:

> The Treasury Board may from time to time for any year establish the percentage of the gross revenues of the corporation for that year that may be extended by the corporation in that year for administration purposes.

That is pretty effective control on the operations of the corporation.

This is a debate on second reading and I do not wish to take the time of the House to refer to various clauses of the bill which make it absolutely and abundantly clear that the corporation is under the control and the direction of the minister and the Governor in Council.

An hon. Member: So is the CBC.

Mr. Honey: These clauses are in the measure and hon. members can read them.

Mr. Forrestall: You better take the word "direction" out of Clause 3, then.

Mr. Honey: I want to deal very briefly with some of the matters raised by hon. members. I will not go into detail because my minister will be before the committee when this matter is being studied there, and will have an opportunity to go into these details. There are three or four matters of rather broad substance with which I should perhaps deal now.

The hon. member for Crowfoot (Mr. Horner) asked during his first speech on second reading for an assurance in respect of the financing of the corporation. Let me refer the hon. member to Clause 23 of the bill which provides for loans, including loans for working capital, and the aggregate of such loans, which shall not exceed $20 million. There are other similar provisions in the measure but I shall not refer to them as I do not wish to take up the time of the House on details at this stage of the proceedings.

The hon. member for the Northwest Territories (Mr. Orange) who is the Parliamentary Secretary to the Minister of Energy, Mines and Resources (Mr. Greene), recommended to the minister the establishment of parks in the Yukon and Northwest Territories. He was supported in this suggestion by other hon. members. I think it would be of interest if I said to the House, as most members know, that the minister has publicly stated and actively pursued a policy regarding the very substantial enlargement of the number of national parks in Canada. The minister is proposing new national parks which will be subject to consultation with the territorial governments, and these will include parks in the Northwest Territories and in the Yukon.

While I am on this theme, let me say that the minister is indeed hopeful that by the turn of the century, well within 30 years, we may have 60 or 80 new national parks in Canada. We are talking about a very ambitious program which will give an opportunity to future generations of Canadians, referred to so many times during this debate, to enjoy wilderness areas which are part of their heritage. Under this government and this minister, the number of parks will be very substantially increased in years ahead.

The hon. member for Brandon-Souris (Mr. Dinsdale) took some time to persuade the House that he had been a good minister when he was administering this particular department. That may or may not be correct. In any event, it is not relevant to this particular debate. That seemed to be the theme of his remarks, but he got himself bogged down somewhat in this matter of perpetual leases. In this regard, I have put on the record for hon. members to read, certain Orders in Council which are in existence.

I think it would be helpful in view of the remarks of the hon. member for Brandon-Souris if I put on the record some of the documentation in respect of this policy of perpetual leases. In his remarks as recorded at page 3450 of *Hansard* the hon. member for Brandon-Souris made reference to the fact

that in 1963 the principle of perpetuity was cancelled by the then Liberal government, and that this was the point at which the controversy began. I think it would be helpful to have this suggestion clarified if that has not already been done by the Orders in Council because the hon. member for Brandon-Souris in the remarks I have quoted, made the very direct allegation that it was a Liberal government which in 1963 cancelled the perpetual leases. I wish now to read from the evidence given before the Standing Committee on Northern Affairs and National Resources on March 14, 1967 as recorded at page 1036 of the Minutes of Proceedings and evidence of that committee. At that time the Minister of Indian Affairs and Northern Development, who is now the Minister of Public Works, gave evidence before the committee. This evidence was not contradicted and never has been contradicted. I should like to read this paragraph:

• (5:10 p.m.)

The previous Ministry in 1958 decided that these so-called perpetual leases could not be reconciled with the public interest for a variety of reasons which I will not go into now, and since 1958 no new lease or renewal has been made with the so-called perpetual renewal clause. From 1958 until I assumed this portfolio, 252 so-called perpetual leases had already been recovered; that is exchanged for a lease with a fixed term and no perpetual renewal feature.

There was some discussion during the debate by the hon. member for Brandon-Souris and the hon. member for Rocky Mountain (Mr. Sulatycky) about the particular nature of the 252 leases. I thought it would be helpful to hon. members to have this information on the record at this time.

Then, as reported at page 3448 of *Hansard,* the hon. member for Brandon-Souris talked about substantial increases in rents in national parks. I do not know how relevant it was to the debate, but in any event we wandered a bit. He referred to increases of 4000 per cent in some leases. The fact is that on commercial property—and I want to make a distinction between commercial and residential properties—there have in fact been very significant increases since the new rental policy was commenced. I should like to give two examples as an indication of what is happening. I think these examples will probably indicate to hon. members that the rental policy did in fact require some review and revision.

The first example is that of a service station in the Banff National Park. It is in the townsite and covers three lots. Recently it was valued by a competent professional land valuator at $46,200. That is the market value. Prior to the rental review the lessee of that property had been paying $50.40 a year for a property with a market value of $46,200. The rental has been increased to $2,072. The second example is that of a motel in the Banff townsite covering four lots. Recently it was valued by a professional, competent valuator at $90,000. Prior to the rental review the lessee of that property had been paying $80 a year in rent for a property valued at $90,000. The rental was increased to $5,400 a year. This would seem to be pretty cogent evidence that, first, a rental review was necessary and, second, that the sort of review that has been carried out under this minister and his immediate predecessor has been fair and reasonable.

The hon. members for Lotbinière (Mr. Fortin), Joliette (Mr. La Salle) and Trois Rivières (Mr. Mongrain) dealt with the matter of national parks in the province of Quebec. I wish to mention in this context, as the minister has mentioned, that negotiations are now under way with the Quebec government, and indeed are proceeding well, with regard to the establishment of a new national park in the Gaspé and a new national park in the Mauricie area. These negotiations are continuing. Under the leadership of our minister there is no reason to believe they will not be successful. I want to give this assurance to the hon. members from Quebec who had a concern about this.

The hon. member for Malpeque (Mr. MacLean) and the hon. member for Hillsborough (Mr. Macquarrie) made representations and expressed concern about a second national park in Prince Edward Island. Negotiations indeed are under way in this regard. Next week I will be representing my minister in Charlottetown in further discussions in respect of the establishment of a second national park in that province.

The hon. member for Rocky Mountain dealt very effectively, as did the hon. member for Calgary South (Mr. Mahoney), with the question of some greater degree of autonomy in the townsites in the national parks. Other members mentioned this. It seems to me this has been a very important aspect of the debate. Attention has been drawn to the concern of the residents of those townsites by the

hon. member for Calgary South, the hon. member for Rocky Mountain and others. I think hon. members on all sides of the House would agree there is some cause for concern and that we should in fact be looking at—and I can assure hon. members that the minister and his officials are in fact doing this—ways and means by which a greater degree of autonomy can be given to the residents of these areas in their local affairs.

The hon. member for Humber-St. George's-St. Barbe (Mr. Marshall) was concerned about a national park in Newfoundland. I can tell him, through you, Mr. Speaker, that these negotiations are well under way. It is hoped that before much longer an agreement can be arranged between the federal government and the provincial government with regard to the establishment of the Bonne Bay National Park in Newfoundland.

The hon. member for Assiniboia (Mr. Douglas) dealt with a second national park for Saskatchewan and urged the minister to consider this. This is a subject of consultation with the Saskatchewan government, and the discussions are proceeding. Hopefully, with representations such as we have had from the hon. member for Assiniboia, these discussions might before too long be brought to a conclusion. I, too, will look forward to the day when Saskatchewan, which happens to be my native province, will have a good grassland national park that will be a real credit to Canada and to that province.

To refer for a moment to the purpose of the bill, Mr. Speaker, I should like to re-emphasize that the purpose is to create an agency with a specialized and fully qualified staff to give prompt, efficient service to leaseholders and businessmen within the parks. The intent is that there be a nucleus of trained staff with the resources required to carry on the increasingly complex business transactions involved in providing services to the growing stream of parks visitors in a prompt, efficient manner. In the case of development needed to meet present or future demands which may not be of interest to the private sector, the corporation may borrow funds required for capital investment on the open market. The corporation is thus freed from dependence on the annual departmental appropriation, and its capital needs can be amortized over the lifetime of the project. These provisions, and many others which I hope will come to light in the committee examination, have the purpose of providing prompt, businesslike dispatch of business and a speedier determination in respect of decisions.

[Mr. Honey.]

• (5:20 p.m.)

Hopefully this can be done, particularly with the large western parks, at the local level. Then, leaseholders, property owners and businessmen in those parks will be able to deal with officials of the leasehold corporations in Calgary, Edmonton or in some place in proximity to the parks. They will thus be able to sit across the desk and hammer out their problems with these people rather than have to deal with the minister and his officials in Ottawa, as has been the case in the past. I have dealt with what seems to be the particular task of this government, that is the consideration of reasonable methods to provide a greater degree of autonomy for the residents of the parks.

I want to close by referring to the fact that by creating a specialized agency to deal with the leasehold properties in the parks we are establishing a corporation, subject to the direction and control of the minister and of the Governor in Council, to deal with leasehold interests in national parks and nothing else. By doing this, we are freeing the officials of the department from that responsibility because with the large tracts of land and the high land values it is becoming an increasingly specialized sort of business which requires the attention of professionals. By setting that aspect of the responsibilities of the department aside, these officials will be free to go ahead and do what is necessary in the administration of the policy as a whole such as conservation, wildlife, the amenities for visitors to the parks, and so on. These are the sorts of things that the officials will be able to do more readily, and will have more time to do, once they are free of such specialized matters as the operation of the leasehold properties in the parks.

So, I want to thank all hon. members who have participated in the debate for their useful contributions. As I have indicated, some may not have been so relevant, but at least some ideas have been thrown out that could be helpful when they are sifted out. So, I thank them for their participation. I know that in the committee, where the minister will appear, there will be an opportunity for a detailed examination of the queries of hon. members with which there was no time to deal in the House.

Mr. Thomas M. Bell (Saint John-Lancaster): The Parliamentary Secretary made a very high minded speech about the virtue of our national parks, but he was tempted to deal again with the matter of leases. Once again, he tried to leave the impression that an action of a previous government is now being terminated. He referred to the hon. member for Brandon-Souris (Mr. Dinsdale) on two or three occasions but he did not deal with the pertinent part of his comments which were put on the record of *Hansard* for Wednesday, January 21, at Page 2627. The hon. member said the following in dealing with the letter, and the implications thereof, in a question of privilege:

> The letter... merely outlines the orderly plan that was adopted in 1962 for the development of national parks in western Canada based on the principles of wise management and multi-use that emerged out of the Resources for Tomorrow conference in 1961. It carefully preserves the right of perpetuity in the original leases.

That statement went unchallenged at the time. I hope the committee will look into that statement and will challenge the implication it contains and which were left by the Parliamentary Secretary and the minister.

I think we should have a vote now. I am curious how the Alberta government members will vote on this measure. I do not think we need to deal any further with it, but as one who had some responsibility for the national parks for 15 years I believe that the government is making a grave mistake in moving into the day-to-day activities of our national parks through a leasehold corporation. I think they will regret the day they started this whole idea.

Mr. Deputy Speaker: Is the House ready for the question? The question is on the amendment of the hon. member for Edmonton West (Mr. Lambert). All those in favour of the amendment will please say yea.

Some hon. Members: Yea.

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

Some hon. Members: Nay.

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

And more than five members having risen:

Mr. Deputy Speaker: Call in the members.

Division

The House divided on the amendment (Mr. Lambert) which was negatived on the following division:

YEAS

Messrs:

Alkenbrack	MacLean
Asselin	McCleave
Barnett	McCutcheon
Bell	McGrath
Benjamin	McIntosh
Brewin	McKinley
Burton	Mather
Cadieu (Meadow Lake)	Mazankowski
Coates	Monteith
Code	Moore
Comeau	Muir (Lisgar)
Crouse	Nesbitt
Danforth	Nowlan
Downey	Nystrom
Fairweather	Peters
Flemming	Ricard
Forrestall	Ritchie
Gilbert	Ryan
Gleave	Rynard
Grills	Saltsman
Gundlock	Schumacher
Hales	Scott
Harding	Simpson
Horner	Skoberg
Howard (Skeena)	Skoreyko
Knowles (Winnipeg North Centre)	Southam
	Stewart (Marquette)
Knowles (Norfolk-Haldimand)	Thomas (Moncton)
	Thompson (Red Deer)
Korchinski	Thomson (Battleford-Kindersley)
Lewis	
Lundrigan	Valade
MacEwan	Winch
MacInnis (Cape Breton-East Richmond)	Woolliams
	Yewchuk—66.

NAYS

Messrs:

Anderson	Davis
Badanai	Deachman
Barrett	De Bané
Basford	Dionne
Beaudoin	Douglas (Assiniboia)
Béchard	Drury
Beer	Duquet
Benson	Émard
Blouin	Forest
Borrie	Forget
Breau	Foster
Brown	Francis
Buchanan	Gauthier
Caccia	Gendron
Cadieux (Labelle)	Gervais
Cafik	Gibson
Cantin	Godin
Chrétien	Goode
Clermont	Goyer
Cobbe	Groos
Comtois	Guay (St. Boniface)
Corbin	
Côté (Longueuil)	Harries
Côté (Richelieu)	Hogarth
Crossman	Honey
Cullen	Howard (Okanagan Boundary)
Cyr	

Division

Hymmen
Isabelle
Jerome
Laflamme
Laing (Vancouver South)
Langlois
Laniel
Leblanc (Laurier)
LeBlanc (Rimouski)
Legault
Lessard (LaSalle)
Lind
Loiselle
McBride
McNulty
Mahoney
Major
Marceau
Marchand (Langelier)
Marchand (Kamloops-Cariboo)
Morison
Murphy
Noël
Osler
Otto
Pelletier
Penner
Pepin
Perrault
Pilon
Portelance
Pringle
Prud'homme
Reid
Richard
Richardson
Roberts
Rodrigue
Rondeau
Roy (Laval)
Serré
Smerchanski
Smith (Northumberland-Miramichi)
Smith (Saint-Jean)
Stafford
Stewart (Cochrane)
Stewart (Okanagan-Kootenay)
St. Pierre
Thomas (Maisonneuve)
Tolmie
Trudel
Turner (London East)
Watson
Whelan
Whicher—107.

• (5:50 p.m.)

And the Clerk proceeding to announce the result of the Vote:

Mr. Ryan: On a point of order, Mr. Speaker. I did not hear my name called, and yet I stood.

Mr. Deputy Speaker: Apparently the point of order is very well taken. Can I simply confirm the hon. member wishes to vote with the yeas and will be so registered?

Mr. Ryan: Yes, Mr. Speaker.

And the result of the Vote having been announced:

Mr. Deputy Speaker: I declare the amendment lost. Is the House ready for the question on the main motion?

Some hon. Members: Question.

Mr. Deputy Speaker: All those in favour of the motion will please say yea.

Some hon. Members: Yea.

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

Some hon. Members: Nay.

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

And more than five members having risen:

[Mr. Deputy Speaker.]

Mr. Deputy Speaker: Are we ready to proceed with the division?

Some hon. Members: Agreed.

• (6:00 p.m.)

The House divided on the motion (Mr. Chrétien) which was agreed to on the following division:

YEAS

Messrs:

Anderson
Badanai
Barrett
Basford
Beaudoin
Béchard
Beer
Benson
Blouin
Borrie
Breau
Brown
Buchanan
Caccia
Cadieux (Labelle)
Cafik
Cantin
Chrétien
Clermont
Cobbe
Comtois
Corbin
Côté (Longueuil)
Côté (Richelieu)
Crossman
Cullen
Cyr
Davis
Deachman
De Bané
Dionne
Douglas (Assiniboia)
Drury
Duquet
Émard
Forest
Forget
Foster
Francis
Gauthier
Gendron
Gervais
Gibson
Godin
Goode
Goyer
Groos
Guay (St. Boniface)
Harries
Hogarth
Honey
Howard (Okanagan Boundary)
Hymmen
Isabelle
Jerome
Laflamme
Laing (Vancouver South)
Langlois
Laniel
Leblanc (Laurier)
LeBlanc (Rimouski)
Legault
Lessard (LaSalle)
Lind
Loiselle
McBride
McNulty
Mahoney
Major
Marceau
Marchand (Langelier)
Marchand (Kamloops-Cariboo)
Morison
Murphy
Noël
Osler
Otto
Pelletier
Penner
Pepin
Perrault
Pilon
Portelance
Pringle
Prud'homme
Reid
Richard
Richardson
Roberts
Rodrigue
Rondeau
Roy (Timmins)
Roy (Laval)
Serré
Smerchanski
Smith (Northumberland-Miramichi)
Smith (Saint-Jean)
Stafford
Stewart (Cochrane)
Stewart (Okanagan-Kootenay)
St. Pierre
Thomas (Maisonneuve)
Tolmie
Trudel
Turner (London East)
Watson
Whelan
Whicher—108.

Division

NAYS

Messrs:

Alkenbrack
Asselin
Barnett
Bell
Benjamin
Brewin
Burton
Cadieu (Meadow Lake)
Coates
Code
Comeau
Crouse
Danforth
Downey
Flemming
Forrestall
Gilbert
Gleave
Grills
Gundlock
Hales
Harding
Horner
Howard (Skeena)
Knowles (Winnipeg North Centre)
Knowles (Norfolk-Haldimand)
Korchinski
Lewis
Lundrigan
MacEwan
MacInnis (Cape Breton-East Richmond)
MacLean
McCleave
McCutcheon
McGrath
McIntosh
McKinley
Mather
Mazankowski
Monteith
Moore
Muir (Lisgar)
Nesbitt
Nowlan
Nystrom
Peters
Ricard
Ritchie
Ryan
Rynard
Saltsman
Schumacher
Scott
Simpson
Skoberg
Skoreyko
Southam
Stewart (Marquette)
Thomas (Moncton)
Thompson (Red Deer)
Thomson (Battleford-Kindersley)
Valade
Woolliams
Yewchuk—64.

Mr. Deputy Speaker: I declare the motion carried.

Bill read the second time and referred to the Standing Committee on Indian Affairs and Northern Development.

Mr. Deputy Speaker: It being after six o'clock, this House stands adjourned until tomorrow at 2 p.m.

It being seven minutes after six o'clock the House adjourned, without question put, pursuant to standing order.

END OF VOL. IV